

Communities Are Embracing Development near Transit:

A Snapshot of Transit-Oriented Development Support across the United States

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Executive Summary

Across the country, more communities are looking for ways to enhance their livability. Transit-oriented development (TOD) is one means of creating sought after, economically vibrant neighborhoods. Transit-oriented development—which includes a mixture of housing, office, retail, and/or other commercial development and amenities integrated into a walkable neighborhood and located within a half-mile of quality public transportation—can boost transit ridership, reduce traffic and vehicle emissions, and encourage active lifestyles. TOD can provide residents critical connections to regional amenities, health services, and economic opportunity. In the end, all stakeholders benefit—from residents to businesses to public tax coffers.

Overall, the TOD of today is a story of success. But implementing TOD is more challenging than building single use development on virgin land. More than other forms of development, TOD requires a collaboration of multiple public and private players. It requires a complex web of planning, financing, and construction activities, most typically as part of redevelopment initiatives. One of the largest challenges these actors must tackle is keeping what have become highly sought-after neighborhoods affordable.

This paper provides a snapshot of the ways that state, regional, and local government support TOD. Case studies highlight achievements in Denver and Atlanta, along with the community response to TOD challenges. This snapshot is the most comprehensive list to-date of the ways in which government and quasi-government entities support TOD through policy, planning, funding, financial incentives and TOD programs.

KEY FINDINGS

Public policies and programs can either support TOD or make it more challenging and costly to build. Over the past decade, a growing number of cities, counties, and regional agencies updated or enacted policies and implemented programs to create these types of walkable, mixed-use neighborhoods.

TOD benefits from strong support from multiple community actors. This research identified more than 100 state, regional, and local TOD-supportive

actions. More than half of all states (26) and 63 percent of the states that received federal transit capital or TOD planning grants had TOD-supportive policy on the books; 82 percent of regions we looked at had taken supportive action. We found TOD supports in all but 4 of the 70 localities we investigated. Some places have taken action across all scales of government, such as in California, Connecticut, Georgia, Minnesota, Pennsylvania, and Utah.

Local governments in particular are supporting TOD through a variety of policies, planning efforts, zoning, and fiscal incentives. *Regional transit agencies* are using their real estate assets to catalyze development near transit, and *metropolitan planning organizations* are taking the lead in drawing up model TOD zoning district templates or design guidelines that localities can adopt within their own policy and regulatory documents. *States* are emerging as key financial partners, enabling local and regional agencies to work with private developers to increase the supply and range of housing located near public transit. The *nonprofit sector* has elevated the issue of equity throughout TOD planning and construction and is partnering with the public sector to increase affordable housing in these neighborhoods. Together, these actions set the stage for increased livability in communities of all sizes.

TOD requires complex funding and partnerships. Metro Transit in the Twin Cities, for example, identified more than 70 federal, state, local, and private grants and financing opportunities for TOD development, many of which have been tapped to build TOD neighborhoods around the region's 3 new Metro light rail and BRT lines. Case examples from Atlanta and Denver also illustrate this point.

Equitable TOD is emerging as a top issue for localities. In one respect, TOD is a victim of its own success. The first waves of TOD construction often result in significant property value increases. The downside to the otherwise positive achievement of mobility and economic development goals is that lower-income residents can either be displaced from or kept out of these transit-rich neighborhoods that offer mobility

and economic benefits. The concept of equitable TOD seeks to ensure that residents of all incomes and backgrounds can afford to live near—and take advantage of—high-frequency public transportation services and other neighborhood amenities.

Those setting and implementing TOD policy must address affordability up-front and continually measure TOD performance against equity principles. No one strategy will be enough. Multiple strategies, involving multiple

stakeholders across all sectors, will need to be employed.

TOD supports are universally found in regions with high-ridership transit systems.

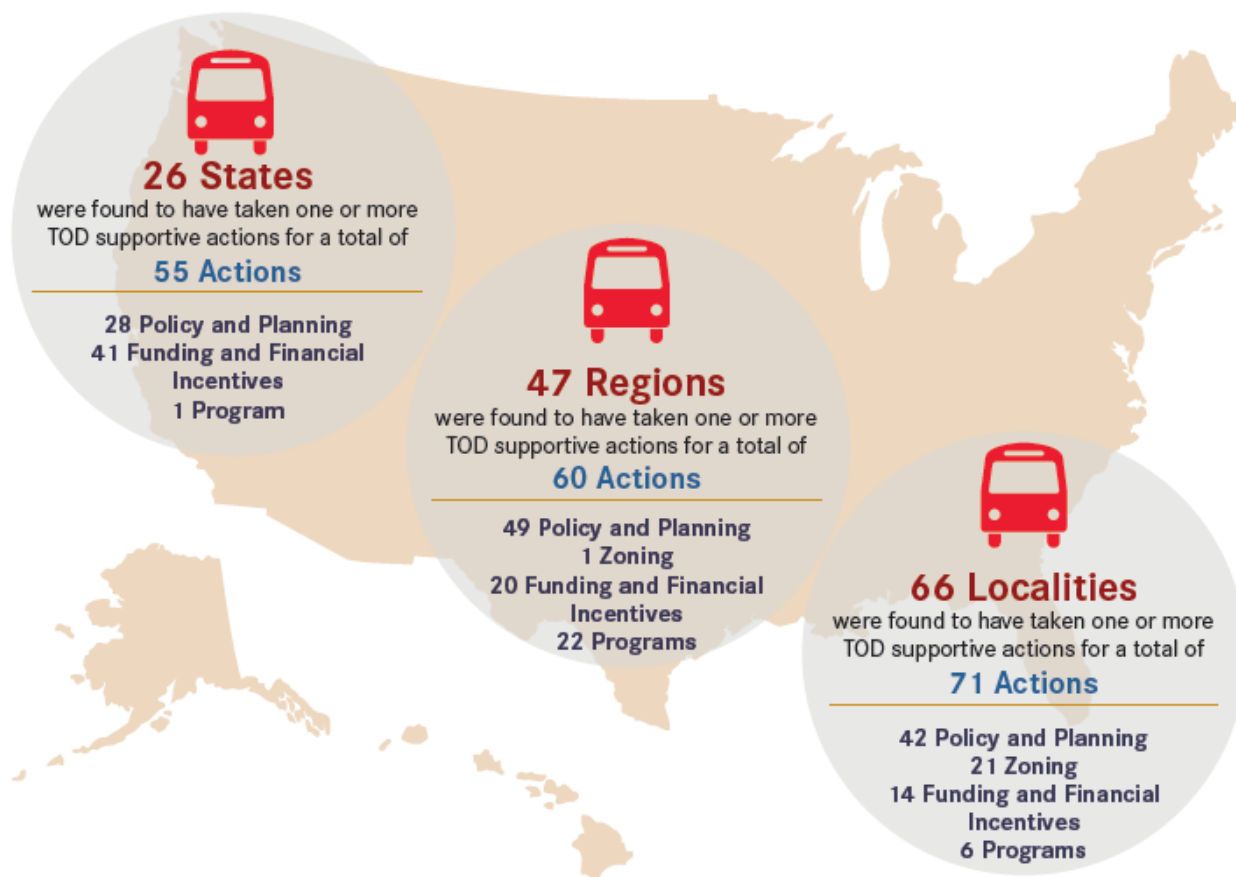
Transit investments support TOD travel needs, while TOD helps to generate ridership for the same transit investments. Seventeen of the top 25 transit ridership systems in the United States benefit from TOD support at all levels of government. TOD supports were found in at least 2 levels of government in those 25 systems.

Project Overview

2015–2016 TOD Snapshot

TOD Supportive Actions*

Policy and Planning, Zoning, Funding and Financial Incentives, Programs



* A single action can be classified as one or more types of TOD support. Multiple actions can be taken by a state, region, or locality.

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Table of Contents

EXECUTIVE SUMMARY	i
Key Findings	i
INTRODUCTION	1
WHAT IS TOD?.....	1
TOD SUPPORTS LIVABLE COMMUNITIES FOR ALL AGES	1
WHY THIS TOD SNAPSHOT?	3
TOD SNAPSHOT METHODOLOGY	3
RESEARCH RESULTS: DIFFERENT FORMS OF SUPPORT FROM DIFFERENT LEVELS OF GOVERNMENT	6
Strong Support for TOD Across All Levels of Government	6
State Level: Mostly Funding Support	6
Regional Level: Policy, Planning Support, and Joint Development Dominate	7
Local Level: Primary Support through Policy, Planning, Zoning Regulation, and Design Guidance	7
KEY FINDINGS: WHAT THE DATA SAY ABOUT TOD TODAY	8
TOD Requires Complex Funding and Partnerships	9
Successful TOD Locations Have Put a Variety of TOD Supports in Place and Tapped Multiple Stakeholders.....	14
Growing Pains: Equitable TOD Emerging as Top Issue.....	14
TOD Supports Are Universally Found in Regions with High-Ridership Transit Systems	19
CONCLUSION: TOD GROWTH REFLECTS SUCCESS AS NEW CHALLENGES EMERGE	20
REFERENCES.....	21
APPENDIX A: TOD SNAPSHOT METHODOLOGY IN DETAIL*	24
Step 1: Identifying Potential TOD Communities	24
Step 2: Assessing TOD Supports	25
Step 3: Categorizing Type of TOD Action.....	25
APPENDIX B: 2015-16 TRANSIT-ORIENTED DEVELOPMENT SNAPSHOT*	28
Table 1. State TOD Support.....	28
Table 2. Regional TOD Support.....	41
Table 3. Local TOD Support.	67

*The appendices of this report may be found at AARP.org/TOD.

Tables

TABLE 1. EXAMPLES OF TOD SUPPORTIVE ACTIONS INCLUDED IN THIS
2015–16 SNAPSHOT 8

TABLE 2. TOD SUPPORT FOR TOP 25 HIGHEST RIDERSHIP TRANSIT SYSTEMS.....20

Sidebars

REGIONAL, STATE, FEDERAL, AND LOCAL—PLUS THE PRIVATE SECTOR AND A GRAD
STUDENT: THE ATLANTA FORMULA. 12

DENVER REGIONAL TRANSIT-ORIENTED DEVELOPMENT FUND..... 17

Introduction

Across the country, more communities are looking for ways to increase mobility options for residents and to create economically and socially vibrant, walkable communities. Transit-oriented development (TOD) is one tool that achieves these goals, by locating both residential and commercial activities near transit with safe and accessible sidewalk connections between destinations. The convenient layout of TOD neighborhoods makes it easy for people of all ages to get around without driving.

TOD, however, is not a simple undertaking; it comes with many challenges, including those brought on after it has achieved its original goals. Unlike greenfield development,¹ TOD requires a complex web of planning, financing, and construction activity carried out by numerous public- and private-sector partners over many years. Overall, the TOD of today is a story of success. Once again, however, that success has come with yet more challenges—namely, keeping what have become highly sought-after neighborhoods affordable.

This paper provides a snapshot of the ways that state, regional, and local government support TOD, highlighting both their various achievements as well as community response to TOD challenges.

What Is TOD?

Transit-oriented development is a type of community development that includes a mixture of housing, office, retail, and/or other commercial development and amenities integrated into a walkable neighborhood located within a half-mile of quality public transportation.²

Successful TODs have been shown to generate revenue for the private and public sectors, boost

transit ridership, reduce traffic and vehicle emissions, and encourage more active lifestyles.

TOD is most closely associated with high-density urban development around rail stations; however, its principles can be applied at smaller scales to support any level of transit investment, including around bus transfer centers in small towns. For the purposes of this research project, we identified TOD policies and programs associated with higher-investment rail and bus rapid transit (BRT) projects.³

TOD Supports Livable Communities for All Ages

Transit-oriented development can help create neighborhoods around transit stations where residents have critical connections to regional amenities, health services, and economic opportunity. The benefits of TOD accrue to residents across their life span. According to one study by the Northern Virginia Transportation Commission (NVTC), adults ages 75 and older living in one of these walkable, mixed-use neighborhoods were more mobile as a result of increased transportation options. They took 20 percent more trips per week than their suburban counterparts across Northern Virginia. Their share of transit trips outpaced those of older suburban residents 4 to 1. More striking was their share of trips on foot: 22 percent compared with 8 percent.^{4,5} Because the NVTC survey was conducted in 2005, public transportation use among older adults has only grown—nationally, by a whopping 40 percent among those 65 and older.⁶ Walking rates are up as well. TOD is a great planning tool to encourage active living by young and old alike.

As great as the mobility benefits of TOD are, the potential economic benefits of TOD typically serve to catalyze numerous federal, state,

1 Greenfield development is development on previously undeveloped land.

2 “FAQs,” Center for Transit-Oriented Development. CTOD.org/faqs.php. Accessed 8/24/2017.

3 Bus Rapid Transit is a form of express bus service typically characterized by a dedicated travel lane, prepayment boarding like on rail, and longer, articulated buses.

4 Northern Virginia Transportation Commission, Meeting the Transportation Needs of Northern Virginia’s Senior: Recommendations for Public Transit Systems and Other Mobility Providers (Arlington, VA: Northern Virginia Transportation Commission, March 24, 2006), <http://69.195.124.133/~thinkou7/uploads/studiesarchive/2006SeniorMobility.pdf>.

5 Jana Lynott, William J. McAuley, and Megan McCutcheon, “Getting Out and About: The Relationship between Urban Form and Senior Travel Patterns,” *Journal of Housing for the Elderly* 23 (2009): 390–402.

6 Jana Lynott and Carlos Figueiredo, “How the Travel Patterns of Older Adults Are Changing: Highlights from the 2009 National Household Travel Survey,” *Fact Sheet 218*, AARP Public Policy Institute, (Washington, DC,) April 2011.



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Light rail in Portland, Oregon offers convenient access and is a catalyst for the construction of housing, retail, recreation, and employment options beneficial to people of all ages.

regional, and local actors to join forces behind a common TOD vision. For example, Atlanta's BeltLine initiative is evolving into a network of TOD neighborhoods linked by public parks, trails, and transit along a historic 22-mile abandoned rail corridor circling downtown. First conceived in 1999, the Atlanta BeltLine has already generated a direct economic impact of more than \$3 billion dollars in private development; this is 7 times greater than the total public/private investment of \$450 million to date.⁷

National real estate trends consistently find that demand for compact TOD communities increases property values by more than 15 percent for office, residential, and commercial use.⁸

According to a recent survey by the Urban Land Institute, Americans of all ages place a premium on living near a mix of shops, restaurants, and offices as well as a range of public transportation options. While the preference for urban living

is strongest among millennials (those born between 1981 and 2004), niche groups of older generations have also contributed to the market demand for walkable neighborhoods that offer a mix of housing and transportation options and proximity to jobs, schools, health care, shopping, entertainment, and parks.⁹

Public policies and programs can either support TOD or make it more challenging and costly to build. Over the past decade, a growing number of cities, counties, and regional agencies updated or enacted policies and implemented programs to create these types of walkable, mixed-use neighborhoods. Some of these jurisdictions established financial incentives or technical assistance programs to encourage building near transit and improve the walkability, safety, and design of local streets and sidewalks. Several transit agencies created programs that make it easier to develop their public property, including for projects that provide housing affordable to

7 "How the BeltLine Is Funded," The Atlanta BeltLine. Accessed February 14, 2017, <http://beltline.org/about/the-atlanta-beltline-project/funding/>.

8 AARP, The Livability Economy: People, Places, and Prosperity (Washington, DC), AARP, July 2015, <http://www.aarp.org/livable-communities/tool-kits-resources/info-2015/livability-economy.html>.

9 Urban Land Institute, America in 2015: A ULI Survey of Views on Housing, Transportation and Community (Washington, DC: Urban Land Institute, June 2015).

buyers at a variety of price points. Most, if not all, communities that pursue TOD clarify the community's vision through the adoption of policy, corridor- or station-area plans, and design guidelines. Local governments approve TOD zoning districts to provide regulatory support for that vision. Often, all of these strategies are employed.

Why This TOD Snapshot?

This research examines the current state of TOD support at the local, state, and regional levels, based on data collected in late 2015 through 2016 and summarized in the tables of appendix B. In addition to creating more awareness of TOD, PPI will use this research to update its AARP Livability Index.¹⁰ This Snapshot also provides a strong foundation to better understand the depth and variety of TOD programs and policies that have been enacted across the country.

TOD Snapshot Methodology

This 2015–16 TOD Snapshot builds on earlier research conducted by Reconnecting America titled “2010 Inventory of TOD Programs: A National Review of State, Regional and Local Programs That Fund Transit-Oriented Development Plans and Projects.” For this earlier study, Reconnecting America identified state, regional, and local programs that support TOD through direct funding or financial incentives. This Snapshot expands on that list through a three-step process:

1. Identify locations that received 1 of 3 federal transit capital grants since 2010 or a TOD planning grant in 2015. Identify any other metropolitan areas served by 1 of the 25 largest transit providers in the United States.
2. Assess TOD supports.
 - a. We identified programs that explicitly support TOD in these locations. We expanded the definition of TOD programs beyond those that provide direct funding or financial incentives to also include explicit TOD policies, plans, and/or zoning regulation. We also looked for any programs that provided TOD technical

assistance to support local planning and implementation.

- b. We identified other state-level TOD support.
3. We categorized the type of TOD action.

Policy examples include state legislation or adopted regional and local policies that prioritize walkable, mixed-use development and/or public investment near transit. These often take the form of stand-alone TOD policies adopted by a regional planning agency or transit authority, or by a local governmental body, and often highlight the desire to leverage investments in public transportation through effective land use planning and urban design. Design guidelines may be drawn up or joint development policies passed. To receive policy credit from a local comprehensive plan, TOD must be an explicit element of that plan—rather than simply verbiage that is generally supportive of concepts such as mixed-land use, pedestrian-friendly streets, and transit. For instance, complete street design guidelines or mixed-use and multifamily zoning support the goals of compact, walkable communities; however, alone, they do not fully define TOD. State-level policy often defines TOD for the purposes of awarding funding and financial incentives to particular locations. It also includes examples of where state agencies are involved in TOD planning efforts, such as is the case in Florida and Hawaii.

Planning activities included in the Snapshot take numerous forms. Area plans, neighborhood plans, corridor plans, district plans, master plans, and strategic plans that address TOD are counted in this Snapshot. Often the local governing body adopts these plans as subsets of the comprehensive plan in order to provide detailed guidance to the planning and development community for a particular station area. In cases where a regional entity developed the plan, it may not carry as much weight in development review; rather, it serves as a catalyst to get public support for a regional vision. Regional agencies often use their own staff resources to lead TOD planning efforts with the collaboration of local planners. These regional plans may help to generate public support and understanding for the concept and

¹⁰ “Livability Index,” AARP. Accessed June 6, 2016, www.aarp.org/livabilityindex.

Form-Based Codes¹¹

Unlike traditional zoning that separates land uses, form-based codes use physical form as an organizing principle to establish the relationship between buildings and the street, pedestrians and vehicles, public and private spaces, and the sizes and types of roads and blocks. Instead of dictating or limiting activities, the code focuses on such elements as parking locations and limits, building frontages and entrances, window dimensions, streetscaping, and building elevations.

to prompt local government actors to adopt more binding policy and zoning.

TOD is inherently long-range: it can take years to build community consensus around a vision, secure funding from numerous sources, and allow time for the local real estate market to respond. While policies and plans in and of themselves do not guarantee that TOD will be built, they are an important first step in establishing a community's vision for future economic and land development, and they often mark a turning point in a community's move toward more compact, pedestrian- and transit-friendly design and away from auto-oriented development patterns.

Zoning is a form of local government regulation that can support TOD. Specifically, we searched for evidence of explicit TOD zoning districts or overlay zoning in localities' zoning ordinances. Occasionally, we came across TOD smart codes or other form-based codes. Because zoning is an activity of local government, we did not identify regulatory activities at the state level. At the regional level, we gave credit to Citizens

for Modern Transit, a regional transit and TOD advocacy organization, for their non-binding TOD overlay zoning district template that several jurisdictions in the St. Louis region have used to adopt TOD zoning. Similar to policy and planning, the presence of TOD-supportive zoning itself does not guarantee that TOD is happening, but it is an important precursor.

There are a host of *funding and financial incentives* at all levels of government that are used to build TOD projects and associated infrastructure in a TOD district, or they are used for property acquisition, land banking, and site cleanup to support redevelopment near transit. Funding examples include grant programs for TOD construction or planning, low-interest or deferred-interest loans made available as gap financing, tax increment financing¹² districts, tax credits, fee exemptions, bond sales, and land transfers. Incentives include density bonuses, reduced parking requirements, expedited permitting, public investment in improvements, and other similar actions. The majority of state level support takes the form of *funding and financial incentives*.

Programs include TOD and joint development programs that facilitate real estate development near transit.¹³ Joint development programs are typically housed within transit agencies, while other TOD programs may be found within regional and local planning offices. Regional programs managed by metropolitan planning organizations (MPOs) often take the form of technical assistance programs where the goal is to enhance the capacity of local government to plan for and implement TOD.

11 AARP, "Form-Based Code," *Fact Sheet*, AARP, Washington, DC, 2014, <http://www.aarp.org/livable-communities/info-2014/livability-factsheet-form-based-code.html>.

12 Tax increment financing allows cities and towns to borrow against an area's future tax revenues in order to invest in immediate projects or encourage present development.

13 As defined by the Federal Transit Administration (<https://www.transit.dot.gov/JointDevelopment>), the term "joint development" refers to

- partnerships between transit agencies and the public or private sector in the development of land either owned by a transit agency or related to a transit system improvement;
- integrated development of transit and nontransit projects, or transit improvements physically related to, and often co-located with, commercial, residential, or mixed-use development; and
- mutual benefit and shared cost among all of the partners involved.

For example, a joint development project would be where a transit agency enters into a partnership with a private developer to build commercial space or residential units on property owned by a transit agency next to a transit station, thereby raising revenue for transit in the process.

Project Overview

2015–2016 TOD Snapshot

TOD Supportive Actions*

Policy and Planning, Zoning, Funding and Financial Incentives, Programs



26 States

were found to have taken one or more TOD supportive actions for a total of

55 Actions

28 Policy and Planning
41 Funding and Financial
Incentives
1 Program



47 Regions

were found to have taken one or more TOD supportive actions for a total of

60 Actions

49 Policy and Planning
1 Zoning
20 Funding and Financial
Incentives
22 Programs



66 Localities

were found to have taken one or more TOD supportive actions for a total of

71 Actions

42 Policy and Planning
21 Zoning
14 Funding and Financial
Incentives
6 Programs

* A single action can be classified as one or more types of TOD support. Multiple actions can be taken by a state, region, or locality.

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The above categorization of TOD supports is not entirely cut-and-dried. Planning efforts may result in official adoption of the plan into policy by the governing body. A transit agency may adopt joint development policy *and* create a joint development program. Design guidelines developed by a regional planning organization may end up coded in the local zoning ordinance. Regional planning organizations may set aside funds for collaborative plan development with local jurisdictions.

Table 1 provides examples of each type of TOD support for each level of government (state, regional, and local).

Appendix A describes this methodology in more detail, including the limitations of the research. Tables 1-3 in Appendix B provides comprehensive lists of TOD support found at the state, regional, and local levels.

Research Results: Different Forms of Support from Different Levels of Government

Of the 38 states identified in the first step of this analysis, 24 were found to have TOD policies or other supports in place. Two additional states (New Jersey and Maine) made our list. New Jersey did not receive federal transit capital or TOD planning-grant funding during the 5 years of analysis; however, the state's Transit Village and Urban Transit Hub TOD supports were flagged in the 2010 inventory, and we did confirm that those programs remain in effect.¹⁴

A Lexis Nexis search revealed that Maine also has TOD-supportive policy. Maine's policy illustrates that TOD is relevant to rural states and small cities and towns, as well as large urban areas.

Of the 57 regions we evaluated, 47 were found to have regional-level TOD supports in place. At the local level, we found TOD supports in all but 4 of the 70 localities we investigated. Following is a look at the various areas of support as uncovered by our research.

STRONG SUPPORT FOR TOD ACROSS ALL LEVELS OF GOVERNMENT

- As shown in Appendix B, this research identified *more than 100 state, regional, and local TOD-supportive actions*.
- More than half of all states (26), and 63 percent of the states that received federal transit capital or TOD planning grants had TOD-supportive policy on the books.
- Eighty-two percent of regions that had received federal transit capital or TOD planning grants had taken supportive action. Only 10 regions that received funding were found to have no policy adopted by either their MPO, or equivalent, or transit authority.
- Some places are taking action across all scales, including at the state level, such as in California, Connecticut, Georgia, Minnesota, Pennsylvania, and Utah.

STATE LEVEL: MOSTLY FUNDING SUPPORT

- Forty-one states provide TOD support by specifically allowing for the use of tax increment or other financing that supports TOD, by authorizing the formation of public-private partnership arrangements, through state-funded grants, tax credits or exemptions, and through other forms of financial incentives.
- Several states define transit-oriented districts in state code and then offer a variety of financial tools and incentives for economic development in those areas. For example, New Jersey state law directs the Commerce Commission to designate "urban transit hubs." Hubs must be located within a one-half to one-mile radius of various forms of transit. Businesses that invest at least \$50 million in capital and employ at least 250 people within those hubs may qualify for tax credits.
- Several states foster TOD planning efforts. For instance, Nevada requires regional planning commissions in its largest counties to study and develop incentives for mixed-use development, transit-oriented development, brownfield site development,

¹⁴ In some cases, state policies flagged in the 2010 inventory had expired, but we found other state policy; thus all states that received Livability Index credit in 2010 continue to receive credit in the latest Index update (January 2017).

and low environmental impact development. In Hawaii the state Office of Planning is assisting state agencies in formulating a state TOD strategy.

REGIONAL LEVEL: POLICY, PLANNING SUPPORT, AND JOINT DEVELOPMENT DOMINATE

- Of the 57 regions analyzed, 47 have TOD-supportive actions in place, including 9 regions from the 2010 inventory. Ten regions have more than one type of TOD-supportive regional action.
- The Snapshot identified 22 regional planning programs. Of them, 8 are joint development programs or otherwise provide guidance on redevelopment of their real estate assets to transit agency landowners. They also include a number of livable communities programs that support local initiatives such as station-area planning to increase walkability and compact development. For instance, the Capital District Transportation Committee (CDTC), the MPO for metropolitan Albany, New York, uses its Transportation Linkage Planning Program to provide consultant or CDTC staff technical assistance to carry out joint regional-local planning initiatives that link transportation and land use.¹⁵
- Sixteen regions provide funding tools that help fund TOD planning efforts or directly support the regional transit agency in redeveloping its land near transit.
- Appendix B, Table 2 presents all regional TOD supports found through this research.

LOCAL LEVEL: PRIMARY SUPPORT THROUGH POLICY, PLANNING, ZONING REGULATION, AND DESIGN GUIDANCE

Not surprisingly, much of the TOD-enabling support comes at the local level. Here are some of the different characteristics of such local-level support:

TOD support prevalence. This Snapshot examined 70 cities and counties and found that 65 cities, towns, and counties have some type of local support in place (appendix B, Table 3). A number of other communities examined are updating

comprehensive plans, zoning codes, and street design guidelines, but their current policy was not deemed sufficiently TOD-focused to include in the inventory.

Policy and planning. Forty-two different TOD-specific policy and planning efforts were identified. These include comprehensive plan language, TOD master planning, or TOD design guidelines. For instance, Bridgeport, Connecticut, created the Barnum Station TOD Master Plan and Adaptive Reuse Strategy to guide redevelopment of this former industrial site located in its downtown, near transit.

Zoning. Cities are also enacting TOD policy or special zoning ordinances to prioritize development around transit. One example is Phoenix, Arizona, which adopted a strategic TOD policy framework in 2013, followed by TOD district zoning in 2015. New York City adopted new zoning in 2016 to encourage greater density and housing affordability near transit. New zoning rules make parking optional for new affordable housing units in designated transit-accessible areas, and they allow existing parking for affordable senior housing to be converted into other uses, including green space, amenity space for residents, or additional affordable housing.

Funding and financial incentives. Fourteen cities have funding and other fiscal incentives in place to support TOD. Several cities in Texas (Carrollton, Dallas, Fort Worth, and Houston), as well as Kansas City and Atlanta, use tax increment financing (TIF) to generate funding for infrastructure and development improvements. In Dallas, for instance, the TOD TIF District created in 2008 encourages dense, pedestrian-friendly transit-oriented development adjacent to Dallas Area Rapid Transit (DART) light rail stations. The TOD TIF allows for tax sharing across city TOD districts. A portion of the funding generated from the TIF district goes toward the construction of affordable housing. Denver, Sacramento, and Boston have funds for the development of affordable housing. Indianapolis and St. Paul, Minnesota, offer TOD grants. Other examples of financial incentives include impact fee reduction, the prioritization of Community Development Block Grant funding to

¹⁵ "Linkage Program," Capital District Transportation Committee. Accessed June 6, 2017, <http://www.cdtcmmpo.org/page/10-project-programs/39-linkage-program>.

Table 1
Examples of TOD Supportive Actions Included in This 2015–16 Snapshot

TOD Category	State	Regional	Local
Policy & Planning	<p><i>Adopted legislation or policy that prioritizes development and/or public investments near transit</i></p> <p>The New York State Smart Growth Public Infrastructure Policy Act prohibits a state agency from financing a public infrastructure project unless it is consistent with state smart growth public infrastructure criteria. These criteria include, among other things: fostering mixed land uses and compact development; providing diversity and affordability of housing near places of employment; fostering recreation and commercial development; integrating all income and age groups; and providing mobility through transportation choices, including improved public transportation and reduced automobile dependency.</p>	<p><i>Joint development principles, TOD policy or design guidelines, and corridor/station-area plans</i></p> <p>To help foster the proper growth of station areas, the city of Charlotte, Mecklenburg County, NC, the Metropolitan Transit Commission, and surrounding towns adopted Transit Station Area Joint Development Principles and Policy Guidelines in 2002. The adopted principles and more detailed policy guidelines provide a framework to be used by local governments and the Charlotte Area Transit System to encourage and promote TOD at transit stations.</p>	<p><i>TOD policy within the comprehensive general plan and area plans</i></p> <p>The Los Angeles County, CA, General Plan establishes TOD districts to encourage infill development as well as pedestrian-friendly and community-serving uses within 1/4 to 1/2 mile of transit stops. In addition, the county has adopted TOD-specific plans, with standards, regulations, and infrastructure plans tailored to the unique characteristics and needs of each neighborhood. These plans address issues such as access and connectivity, pedestrian improvements, and safety in detail.</p>
Zoning	<p><i>None</i></p> <p>Zoning is the purview of local government; however the Massachusetts' Smart Growth Zoning Overlay District Act (Chapter 40R) seeks to substantially boost the supply of housing—and reduce its cost—by encouraging localities to increase the amount of land zoned for dense housing. In return for adopting smart growth zoning and streamlining the development process for 40R districts, cities and towns receive state funding. (Categorized under Funding & Financial Incentives in Appendix B, Table 1.)</p>	<p><i>Model TOD Zoning</i></p> <p>Citizens for Modern Transit, a regional transit and TOD advocacy organization, completed a non-binding TOD overlay zoning district template for the St. Louis region. St. Louis and several of the other region's local jurisdictions have adopted form-based TOD overlay districts for station areas within their boundaries.</p>	<p><i>TOD zoning districts or overlay zoning</i></p> <p>Grand Rapids, MI, updated its zoning ordinance to specifically encourage TOD. Incentives include granting the planning director the authority to waive 50% of parking requirements for new development within 300 feet of a BRT station or 100 feet of a transit stop, if that development complies with city redevelopment goals, including TOD.</p>

support TOD, debt refinancing, tax abatement, and expedited development review.

TOD-specific programs. The research team identified six local TOD programs. They include TOD staff positions in cities like St. Paul, and the SustainIndy program in Indianapolis. SustainIndy was created to establish public–private partnerships with developers to align public agency policies to better coordinate

transportation and land use and to advance the vision of a more sustainable Indianapolis.

Key Findings: What the Data Say about TOD Today

By examining the TOD initiatives described in the research findings, we were able to glean several broader findings concerning TOD today.

TOD Category	State	Regional	Local
Funding & Financial Incentives	<p><i>Tax credits/exemptions, planning and implementation grants, tax increment financing authority, bond programs, and low-interest or deferred-interest loans</i></p> <p>Rebuild Rhode Island awards tax credits for up to 30% of project costs for qualifying TOD development.</p>	<p><i>Grant programs for TOD planning and implementation, affordable housing funds, loans, or other construction funds to build TOD projects or infrastructure, or for property acquisition, land banking, and cleanup to support (re) development near transit</i></p> <p>The \$24 million Denver Regional Transit-Oriented Development Fund is available to qualified borrowers in seven metropolitan Denver counties to acquire property for affordable housing and supportive commercial space.</p>	<p><i>Expedited approvals, reduced parking requirements, or existing funding programs targeted for TOD; tax increment/allocation districts as well as grant and loan programs</i></p> <p>In Fort Worth, TX, TOD and urban villages are preferred development types; consequently, they are eligible for various types of financial incentives, such as tax abatements, tax increment financing, private activity bonds, public improvement districts, and land acquisition assistance.</p>
Programs	<p><i>State TOD Programs</i></p> <p>Maryland Sustainable Communities (established by the Sustainable Communities Act of 2010) consolidates resources for historic preservation, housing, and economic development under a single designation with an emphasis on infrastructure improvements, multimodal transportation, and "green" development. Existing nonhistoric and historic structures within the state's designated TODs may be eligible for a state tax credit for qualified commercial rehabilitation projects. TOD housing receives bonus points in the calculation of federal low-income housing tax credits. State law has designated TODs as having a transportation purpose, making TOD eligible for funding from the Transportation Trust Fund.</p>	<p><i>Regional TOD programs such as joint development programs within transit agencies that facilitate real estate development near transit</i></p> <p>The Washington Metropolitan Area Transit Authority (WMATA) in the Washington, DC, region has an active public/private joint development program. WMATA aggressively seeks partners to develop property owned or controlled by it in order to achieve TOD, increase ridership, generate revenue, and create added real estate tax value.</p>	<p><i>Local TOD programs</i></p> <p>Through Honolulu's TOD program, staff from the Department of Planning and Permitting are working with community stakeholders in the development of neighborhood TOD plans for station areas, new TOD zoning and land-use regulations, and a financial toolkit of available funding mechanisms. An Oahu housing strategy has been drafted and pedestrian, bicycle, and transit access improvements have been identified for every station. An interdepartmental group works to ensure seamless, safe connections between transit stations. An asset-optimization approach is being used to evaluate city properties in TOD areas for potential redevelopment. Partnerships have been formed with state agencies to identify and prioritize the potential for TOD on state lands.</p>

TOD REQUIRES COMPLEX FUNDING AND PARTNERSHIPS

TOD is not cookie-cutter development, and developers may prefer less complex options for a variety of reasons. For one, this form of development is illegal in most jurisdictions. Where zoning codes simply do not allow TOD to be built, developers must engage in protracted negotiations with local government to get permission to build. Many lenders still

prefer to fund isolated single-use development. The mixed-use aspect often makes financing more difficult. Add in higher land costs in urban areas, the need to provide high-quality transportation infrastructure for multiple modes of travel, and the societal desire to create income-diverse communities, and it's obvious why developers face higher land development costs and complexities. It takes a partnership among multiple actors to successfully pull off TOD.



Photo credit: Jana Lynott

The Twin Cities have tapped a variety of funding programs to build TOD neighborhoods around three new Metro light rail and BRT lines.

Case Example 1: The Twin Cities.

MetroTransit in the Twin Cities compiled a *Transit Oriented Development (TOD) Funding Guide* of grant and financing opportunities used for a wide variety of TOD development, predevelopment, and planning purposes. In this guide the agency lists 24 available regional funding sources, 16 state funding sources, 8 existing local programs and 12 potential local funding sources (e.g., development impact fees, general obligation bonds), 7 existing and potential public/private programs (e.g., Twin Cities Community Land Bank, location efficient mortgages, equity investment), and 4 potential federal opportunities (e.g., EPA Brownfields Cleanup)—not even counting the major US Department of Transportation(USDOT)-supportive programs we've flagged in this paper. Minneapolis and St. Paul have tapped several of these programs to create TOD neighborhoods around three new Metro light rail and BRT lines.

Case Example 2: Atlanta. To address the complex funding arrangements and cross-sectoral partnerships, Atlanta created a project management and revenue generation structure tailored for its BeltLine initiative. To oversee the planning and execution of the Atlanta BeltLine vision, Invest Atlanta (formerly the Atlanta Development Authority) created Atlanta BeltLine Inc. (ABI) in 2006. ABI staff works closely with city of Atlanta departments to define details of the plan, secure public funding, inform and engage members of the community, and serve as the overall project management office for construction of the trails, transit, parks, and other key components. The Atlanta BeltLine Partnership was formed to help fill the gap between the funding required to realize the vision and that which the public sector can provide. The partnership is a private, independent nonprofit created in 2005 to raise private-sector capital, including from philanthropic organizations. Its mission is also to engage residents of BeltLine



Atlanta's BeltLine TOD neighborhoods are connected to a network of trails, parks, and transit line.

neighborhoods and ensure that the initiative results in positive socioeconomic outcomes for all residents of Atlanta.

In 2004, to supplement public-sector grants, the Atlanta City Council established for the BeltLine a tax allocation district (TAD), which is a form of tax increment financing. In 2005, the Fulton County Board of Commissioners and Atlanta Public Schools also voted to participate as investors in the Atlanta BeltLine, forming a joint redevelopment initiative of the city of Atlanta, Atlanta Public Schools, and Fulton County. When it was created, most properties along the proposed Atlanta BeltLine were underutilized and generated marginal tax revenue. The three investors agreed to forgo future property tax revenue increases on these properties over the next 25 years and dedicate them to building out the Atlanta BeltLine. As new Atlanta BeltLine investments take place, those once underutilized properties increase in value and generate more tax revenue—which

is then used to secure bond funding that pays for more Atlanta BeltLine investments. The bonds issued by the TAD are not backed by the city's general fund, but rather new private development, so far totaling \$1 billion in new private-sector investment in the district. Tax revenue generated by the TAD is now the primary revenue source for projects along the corridor (\$125 million generated between 2005 and 2014).

In November 2016, voters supported two regional sales tax measures to help fund major public infrastructure elements of the initiative. The MARTA referendum added a half-penny regional sales tax. Revenue will go, in part, to constructing and operating the Atlanta Streetcar and 4 new rail stations. A separate sales tax increase—four-tenths of a cent—is estimated to generate enough money for ABI to purchase the remaining right-of-way for the 22-mile loop and to provide lighting for multiuse trails.

REGIONAL, STATE, FEDERAL, AND LOCAL—PLUS THE PRIVATE SECTOR AND A GRAD STUDENT: THE ATLANTA FORMULA

Atlanta's story offers a prime example of TOD's complexity, its need for countless stakeholders as well as tremendous buy-in, and the potential payoff that can come after all the collaboration.

In 1999, graduate planning student Ryan Gravel wrote a thesis envisioning the redevelopment of 22 miles of historic rail segments around Atlanta's urban core into a combination of parks, trails, transit, and new mixed-use housing, office, and retail neighborhoods.¹ Unlike many student projects that find their way into the recycling bin at the end of the semester, Gravel's became Atlanta's primary economic development focus and largest redevelopment project in the city's history. In fact, it is so wide-reaching that it can best be understood as a number of projects within a larger initiative.

To date, 88 real estate development projects have been completed or are in progress in the Beltline planning area (a half-mile on either side of the 22-mile rail corridor). From them, more than 12,000 new residential units have been constructed, and more than 1.5 million square feet of new nonresidential development has been slated. In addition, the initiative includes historic preservation and adaptive reuse of industrial buildings, environmental cleanup of more than 1,000 acres, and a commitment to construct housing that is affordable to low-income families and individuals. Each of these project elements introduces a host of unique stakeholders and funding structures, adding complexity to the project.

LOCAL SUPPORT

City staff turned the initial vision into the BeltLine Redevelopment Plan, which envisions this revived industrial landscape becoming the “uniquely Atlanta solution to a scattered



Photo credit: Jana Lynott

TOD neighborhoods are under construction along the 22-mile Atlanta BeltLine corridor.

development pattern of growth.”² But BeltLine planning did not end there. In 2012, staff, with input from the community, completed master plans for the 10 neighborhoods within the Beltline planning area. These add further specificity for future development. And in 2015, ABI completed an Integrated Action Plan to determine how to achieve the 2005 Redevelopment Plan's ambitious goals for economic development and housing. Along the way, the Bureau of Planning also implemented a set of urban design regulations (the Atlanta BeltLine Zoning Overlay Ordinance) to facilitate growth throughout the BeltLine planning area.

Local TOD support goes beyond planning and zoning. For each element of the project, various departments lend their assistance through programming and funding, all of which needs to be coordinated. City capital funds from the departments of Parks & Recreation, Watershed Management, and Public Works have been critically important to the project. The Atlanta Beltline website

- 1 Ryan Austin Gravel, “Belt Line—Atlanta Design of Infrastructure as a Reflection of Public Policy” (master's thesis, Georgia Institute of Technology, December 1999), <https://beltlineorg-wpengine.netdna-ssl.com/wp-content/uploads/2012/04/Ryan-Gravel-Thesis-1999.pdf>.
- 2 The Atlanta Development Authority, Atlanta Beltline Redevelopment Plan, November, 2005. <http://beltlineorg.wpengine.netdna-cdn.com/wp-content/uploads/2012/05/Atlanta-BeltLine-Redevelopment-Plan.pdf>.

lists 11 separate local funding opportunities available to private developers to help them build workforce housing,³ remediate industrial wastelands, and preserve historic properties. Developers can tap a housing trust fund, tax abatements and incentives, and a transfer of development rights opportunities.⁴

Public art is an integral component of the BeltLine vision; as BeltLine parks and neighborhoods have built out along the trail, arts programming has become yet another considerable coordination effort among public, private, and nonprofit actors. Organizers featured more than 60 visual works and more than 50 performances over the course of 2015, the sixth year of Art on the Atlanta Beltline. More than 66,000 participants and spectators came out for the Lantern Parade when a glowing procession of light, music, and color illuminates the Eastside Trail on the first Saturday after Labor Day each year.

REGIONAL SUPPORT

At the regional level, MARTA, the regional transit agency, has managed the federal transit capital grants and other sources of state and local money. The Atlanta Regional Commission (ARC), the area MPO, has a program to support TOD around MARTA stations through its Livable Centers Initiative (LCI). The ARC Board has committed \$500 million through 2040 for projects identified in LCI studies. ARC is also a member of a new partnership called the Atlanta TOD Collaborative, a 13-member partnership of nonprofits and government agencies aimed at removing barriers to and advancing incentives for equitable TOD⁵ in the Atlanta region while increasing public understanding and awareness around the benefits of TOD.

STATE SUPPORT

In 2015, Governor Nathan Deal signed into law Senate Bill 4 to enable public–private partnership financing for public infrastructure in the BeltLine corridor. The state also contributes to the project through its own agency grant programs.

FEDERAL SUPPORT

Federal support for the initiative totals more than \$25 million and includes Federal Transit Administration (FTA) capital grants to build light rail along the Beltline, as well as funding from US Department of Housing & Urban Development (HUD) and the US Army Corp of Engineers, among others, for a variety of different elements of the project. Both the city and MARTA received FTA TOD planning grants in 2015 to advance different pieces of the initiative.

PRIVATE SUPPORT

As is the case with public agency funding, there are too many financial backers from the private for-profit and private not-for-profit sectors to list. Private developers construct new real estate, and the increased value of their property generates tax revenue for the project. Philanthropic organizations and several private banking institutions have invested in the Atlanta BeltLine Affordable Housing Trust Fund or other housing affordability strategies. Other nonprofits have been instrumental in raising funds for trails, art installations, and other community amenities. For every dollar invested by the public sector, ABI calculates that the private sector has invested \$7 in real estate development.⁶ This investment has generated \$124 million in TAD revenue since its creation in 2005 through 2014. The ABI estimates that the project has benefited from another \$40 million in private donations.

3 Workforce housing refers to housing that is affordable to low- and moderate-income workers in the region (e.g., teachers and police officers).

4 Transfer of development rights allows landowners to sell development rights from their land to a developer or other interested party who then can use these rights to increase the density of development at another designated location. The goal is often to increase density in designated TODs, while reducing development in areas of a city or county less well served by public transportation. “Planning Implementation Tools Transfer of Development Rights (TRD),” Center for Land Use Education. Accessed February 1, 2017, https://www.uwsp.edu/cnr-ap/clue/Documents/PlanImplementation/Transfer_of_Development_Rights.pdf.

5 See page 14 for more information on equitable TOD.

6 “How the Atlanta BeltLine Is Funded,” Atlanta BeltLine.

SUCCESSFUL TOD LOCATIONS HAVE PUT A VARIETY OF TOD SUPPORTS IN PLACE AND TAPPED MULTIPLE STAKEHOLDERS

This report underscores the breadth of stakeholders necessary to create successful TOD. Our research found that successful TOD locations have put a variety of TOD supports in place. It is clear from collecting these examples that TOD requires a complex and layered set of policy, regulatory, programmatic, and funding strategies to realize TOD visions. The public sector at all levels of government, the private sector, and the philanthropic sector provide resources in various forms. Outreach to residents of affected neighborhoods and to other taxpayers is also crucial to get buy-in for the development vision and ongoing support.

Atlanta—featured in the sidebar, “Regional, State, Federal, and Local—Plus the Private Sector and a Grad Student: The Atlanta Formula”—provides an example of how a range of partners coalesced around the concept of TOD and, as a result, created a highly successful project. Atlanta’s story illustrates both the complexity of TOD and its potential to transform how and where people live.

GROWING PAINS: EQUITABLE TOD EMERGING AS TOP ISSUE

Proponents of TOD have noted that the first waves of TOD construction often result in significant property value increases. Indeed, the objective of spurring economic development is a primary rationale behind most, if not all, TOD proposals. The downside to this otherwise positive achievement is that lower-income residents can be either displaced from or unable to establish residence in these transit-rich neighborhoods and take advantage of the associated mobility benefits. Communities cannot rely on federal supports to address the affordability gap. The existing supply of

federally subsidized affordable housing near transit is at risk, as documented in a 2009 AARP PPI study titled *Preserving Affordability and Access in Livable Communities: Subsidized Housing Opportunities near Transit and the 50+ Population*.¹⁶

The concept of equitable TOD has now established itself in the lexicon of the TOD literature.^{17,18,19} Equitable TOD seeks to ensure that residents of all incomes and backgrounds can afford to live near—and take advantage of,—high-frequency public transportation services. Strategies such as providing housing options at various price points, offering transit subsidies, and creating economic opportunity zones can help achieve this goal.²⁰

The research team found numerous examples at each level of government of funding as well as strategies that lead to the construction of affordable housing within TOD, including the following:

- **The state of Oregon** offers a partial property tax exemption on land if some or all residential housing built on that land is for low-income residents (80 percent of area median income [AMI] or below).
- The **Los Angeles County** Metropolitan Transportation Authority (Metro) revised its joint development (JD) policy in 2015 and established a goal that 35 percent of total housing units in the JD portfolio be affordable to households earning 60 percent of AMI or below. To encourage this outcome, Metro may discount JD ground leases below the fair market value.
- In **Dallas**, a portion of the local revenue generated through its TOD TIF district is directed toward affordable housing.

16 Rodney Harrell, Allison Brooks, and Todd Nedwick, *Preserving Affordability and Access in Livable Communities: Subsidized Housing Opportunities Near Transit and the 50+ Population* (Washington, DC: AARP Public Policy Institute, September 2009).

17 Carmen Rojas, “Equitable TOD: Meeting the Needs of People & Places” (*Living Cities* (blog), New York, NY), August 7, 2012, <https://www.livingcities.org/blog/136-equitable-tod-meeting-the-needs-of-people-places>.

18 “Equitable Transit-Oriented Development,” *Enterprise*, June 6, 2017, <http://www.enterprisecommunity.org/solutions-and-innovation/equitable-transit-oriented-development>.

19 Center for Neighborhood Technology, “Furthering Fair Housing through Equitable Transit-Oriented Development,” *Intersections* (blog), July 8, 2015, <http://www.cnt.org/blog/furthering-fair-housing-through-equitable-transit-oriented-development>.

20 Economic opportunity zones are designated neighborhoods (e.g., neighborhoods along TOD corridors) whereby local businesses, often in tandem with the public sector, universities, and philanthropies, provide job training and job opportunity to those living in the neighborhood who may be at risk for displacement.



The historic Union Station in Denver and adjacent RTD transfer station have been catalysts for development downtown.

Denver: Success brings challenges, which inspire solutions

One city that has increased its attention to equitable TOD is Denver. Mayor Michael Hancock's vision for Denver is "a city where everyone matters."²¹ Denver emerged out of the Great Recession of 2008–09 positioned for growth—in part because of its vision and investment in transit and TOD. In 2015, Denver added 19,500 jobs and saw its population grow by nearly 20,000 people, a single-year increase of nearly 3 percent.

Rapid growth has strained the supply of housing that is affordable to large numbers of Denver families and individuals. Data from the Apartment Association of Metro Denver show that rents in Denver increased by nearly 50 percent between 2010 and 2014, with the average three-bedroom apartment renting for more than \$1,600 per month as of the second quarter of 2015, creating a housing cost burden for renters with an income at or below the median area income.^{22,23} Of all renter households,

24 percent are cost-burdened; another 24 percent are severely cost-burdened. Less than half of apartments in Denver would be affordable to a family earning 80 percent of median income.²⁴ Mayor Hancock acknowledges that the city did not adequately anticipate the potential for displacement when it began TOD planning efforts.²⁵

To create a community "where everyone matters," the city is undertaking a two-pronged approach: increasing transportation access and investing in affordable housing. According to Mayor Hancock, "the greatest predictor of poverty is a lack of mobility options."²⁶ Denver has made a concerted effort to align its land use policy with FasTracks, a multibillion-dollar, voter-approved bus rapid transit expansion plan. Denver's Strategic Plan guides public and private investment at rail stations, including citywide, high-level policy recommendations and on the ground, station-level action items. The Denver Regional Council of Governments, the MPO for the region, also completed four TOD corridor plans.

21 Denver Office of Economic Development, *Gentrification Study: Mitigating Involuntary Displacement*. Denver Office of Economic Development (Denver: Denver Office of Economic Development, May 2016).

22 *ibid.*

23 A household is considered to have a housing cost burden if its members pay more than 30 percent of their income on housing-related costs (rent, mortgage, utilities, and property taxes). Those who pay more than 50 percent of their income on housing are considered severely cost-burdened.

24 Denver Office of Economic Development, 2015 Housing Report (Denver: Denver Office of Economic Development, 2015).

25 Meeting with Denver Mayor Michael Hancock at AARP Offices in Washington, DC, November 30, 2016.

26 *ibid.*



Photo credit: Jana Lynott

Inside Denver Union Station patrons can grab lunch, play a game of shuffleboard, or book a room for the night.

Denver has taken several steps to address its housing affordability crisis. One way the city has shown a commitment to equitable TOD is through its support of the Denver Regional TOD Fund for the creation and preservation of affordable housing along transit lines. And while the city has supported the initiative, the story of the fund underscores that of TOD itself: affordability issues are best tackled by all sectors and multiple stakeholders (see sidebar). The city also established a new Revolving Affordable Housing Loan Fund, dedicated \$8 million of local funds to affordable housing in 2016, and created a permanently dedicated source of local funding for affordable housing that the city hopes will raise at least \$150 million over the next 10 years.²⁷

But the commitment to equitable TOD goes far beyond the public sector. In fact, some might argue that the nongovernmental sector has been the primary mover of equitable TOD in the region.²⁸ Mile High Connects (MHC) is a cross-sector collaborative of nonprofits, foundations, businesses, and government leaders in the Denver

region. It was formed in 2011, with early backing by the Ford Foundation, with the explicit goal of “ensuring that Denver’s transit build-out benefit[s] low-income communities and communities of color by connecting them to affordable housing, healthy environments, high-quality education, and well-paying jobs.” It has been the front-line organization “influencing local and regional policies, leveraging and deploying resources, and helping residents engage directly in decision-making that affects their lives.”²⁹

Mile High Connects helped to raise awareness of the regional disparities that the investment in FasTracks could exacerbate. Through its Denver Regional Equity Atlas it illustrated the spatial mismatch between the location of new transit lines and affordable housing, job centers, health care, and high-performing schools. MHC’s work shows that simply building affordable housing near transit is not enough; transportation also needs to be affordable—something with which many low-income Denver residents struggle. It also needs to be accessible. Sidewalks need to be

27 Denver Office of Economic Development, *2015 Housing Report*; Brad Weinig, Deputy Director, Denver Programs, Enterprise Community Partners Inc., e-mail correspondence, April 14, 2017.

28 Dace West, “Achieving Healthy Communities through Transit Equity,” *Stanford Social Innovation Review*, Spring (2016): page 18-19.

29 Mile High Connects. Accessed June 6, 2017, <http://milehighconnects.org/>

DENVER REGIONAL TRANSIT-ORIENTED DEVELOPMENT FUND

The Denver Regional Transit-Oriented Development Fund is a compelling example of how a spectrum of stakeholders has come together to tackle transit-oriented development's "problem of success"—that is, the housing affordability issue. Enterprise Community Partners, with the contributions of more than a dozen local partners, worked together to create the Denver Regional TOD Fund.¹ The fund uses public, philanthropic, and financial institution capital to purchase land near future transit stations to maintain the affordability of housing and community facilities as station areas develop. The funders' goal is to create and preserve 2,000 affordable housing units by 2024 within a half-mile of light and commuter rail and a quarter-mile of high-frequency bus routes. For-sale homes financed through the fund will be affordable to families earning below 95 percent of area median income (AMI), and affordable rental homes will serve families earning below 60 percent AMI. Since its inception in 2010, the fund has made 14 acquisition loans, generating a pipeline of 1,200 affordable rental units in proximity to public transit.² The fund provides loans to affordable housing and community developers—whether they are nonprofits, for-profits, or housing authorities.

One local partner, Rose Community Foundation, as a contingency of its \$525,000 commitment contribution into the fund, requested that builders include universal design (UD) in construction and rehabilitation whenever possible.³ To facilitate this, Enterprise incorporated UD into its Green Communities Criteria, whereby affordable housing developers can have their properties certified as Enterprise Green Communities. Certified Green



Photo credit: Medici Consulting Group

The developer of Evans Station Lofts, Medici Communities, in partnership with the Urban Land Conservancy, relied on a \$1.2 million loan from the Denver Regional TOD Fund.

Communities properties enable their residents to be healthier, spend less money on utilities, and have more opportunities through their connections to transportation, quality food, and health care services. Application of UD allows residential developers to "anticipate and plan for a greater diversity of residents' abilities and needs, both today and in the future, thereby supporting and facilitating both safety and independence for all residents, including older adults, children, and individuals with mobility, visual, cognitive or other impairments."⁴ The Colorado Housing and Finance Authority requires low-income housing developers to use the Green Communities Criteria prior to their receiving low-income housing tax credits and tax exempt bonds, thus helping to expand the supply of affordable, conveniently located housing units, many of which offer UD features. For more information on Enterprise Green Communities, see <http://bit.ly/2p4Qb7A>.

1 Denver Regional TOD Fund contributors include Enterprise Community Partners, the city and county of Denver, the Colorado Housing and Finance Authority, the Colorado Division of Housing, the Gates Family Foundation, Rose Community Foundation, the Denver Foundation, MacArthur Foundation, the Ford Foundation, Mile High Community Loan Fund, Mercy Loan Fund, US Bank, Wells Fargo, and First Bank.

2 Brad Weing, Enterprise Community Partners, e-mail correspondence, April 14, 2017.

3 Therese Ellery, Senior Program Officer, Rose Community Foundation, e-mail correspondence, April 4, 2017.

4 Universal design is "the design of products and environments to be usable by all people, to the greatest extent possible, without the need for adaptation or specialized design" [The Center for Universal Design (1997)], as referenced in 2015 Enterprise Green Communities Criteria, Enterprise Community Partners. Accessed June 6, 2017, <http://www.enterprisecommunity.org/sites/default/files/media-library/solutions-and-innovation/green/ecp-2015-criteria-manual-11-15.pdf>.

in place and maintained, and affordable feeder bus to the main lines from neighborhoods cannot be sacrificed to fund the BRT system.

Mile High Connects advocates for a number of strategies to address displacement and realize equitable TOD. The following are just a dozen of these recommendations:

- Require one-to-one replacement of housing units affordable at the lowest income levels (0–30 percent of the area median income) being lost to new development.
- Strengthen policy and enforcement of protections for renters.
- Provide mechanisms and support for manufactured housing communities to form homeowners associations and cooperatively purchase communities at risk of being sold for redevelopment.
- Ensure that zoning codes allow for creative housing options, such as accessory dwelling units and co-housing.
- Tie public subsidies awarded to developers (i.e., TIF) to their creation of affordable housing units.
- Offer affordable transit fares and passes for low-income riders.
- Preserve and/or enhance bus service in low-income communities and communities of color.
- Develop first and last mile to transit solutions that are relevant and affordable across income levels.
- Provide incentives for local and culturally relevant businesses that provide good jobs and needed services to remain and/or locate near transit and in revitalizing neighborhoods.
- Place local-hire requirements on all construction projects receiving public subsidy.



Photo credit: Jana Lynott

In 2005, the Atlanta City Council legislatively mandated a goal of building 5,600 units of affordable housing in its BeltLine neighborhoods.

- Support intentional programming to connect residents, workforce development and training opportunities, and local businesses.
- Encourage the creation of intentional supply chains with locally owned businesses.³⁰

Atlanta: Some affordability inroads

Atlanta has also made a significant effort to increase the supply of housing that is below market rate in its BeltLine corridor. In the words of ABI's Director of Housing Policy & Development, James Alexander, "the commitment to housing affordability has been in our project DNA from the outset. This has led to both an internal and external expectation that we will meet our targets." In 2005, the Atlanta City Council legislatively mandated a goal of building 5,600 units of affordable housing over 25 years in the tax allocation district.

Through late 2016, \$12.5 million has been dedicated to affordable housing from ABI: providing dollars to homebuyers through down-payment assistance, funding for land acquisition for future affordable housing, and offering incentives to developers to build affordable housing. These efforts, along with the efforts and investment of partners, have netted 2,000 workforce housing units in the BeltLine planning area since 2005. Of these, only 500 units have been constructed in the smaller TAD, less than one-tenth of the stated goal. According to Alexander, this number is consistent with lagging funding streams for the overall BeltLine infrastructure program. Nonetheless, to boost supply toward meeting the goal, in late 2016, ABI committed to investing \$18 million over 3 years to support the construction of an additional 425 to 600 affordable units.

The affordability challenge: Holistic strategy required

Despite the efforts in Denver and Atlanta, housing affordability continues to vex both jurisdictions. Housing affordability is a crisis in

many regional housing markets in the United States and will need to be addressed by all levels of government and many nongovernmental actors. One thing is clear: those setting and implementing TOD policy must address this issue up-front and continually measure TOD performance against equity principles. No one strategy will be enough—multiple strategies, involving multiple stakeholders across all sectors, will need to be employed.

TOD SUPPORTS ARE UNIVERSALLY FOUND IN REGIONS WITH HIGH-RIDERSHIP TRANSIT SYSTEMS

Planners have long argued that TOD helps to increase ridership on transit lines that connect to TOD neighborhoods. As these neighborhoods are designed with a mix of uses, there tends to be a greater balance of trips generated throughout the day and in both directions on the transit line. Research shows that indeed these types of land use and travel interactions happen in TOD.³¹

As part of this study, we analyzed transit ridership against TOD-supportive action. Using national 2015 ridership data,³² the research team identified a clear correlation between those communities with the highest ridership and TOD support. This may not be surprising because these larger systems often include rail transit, which is a primary focus for station-area TOD, but it also reaffirms that the relationship between TOD and transit ridership is mutually reinforcing: transit investments support TOD travel needs, while TOD helps to generate ridership for the same transit investments.

As shown in Table 2, of the top 25 transit ridership systems in the United States, we found TOD supportive policies, plans, programs, zoning, or funding supports in place in at least 2 levels of government (state, regional, or local).³³ Seventeen of these transit systems benefit from TOD supports at all levels of government.

30 "Access to Opportunity Platform," MileHigh Connects. Accessed January 31, 2017, <http://milehighconnects.org/wp-content/uploads/2016/04/2016.04.19-Regional-Call-to-Action.pdf>.

31 G.B. Arrington and Robert Cervero, "Effects of TOD on Housing, Parking, and Travel," Report 128, Transit Cooperative Research Program, Washington, DC, 2008.

32 American Public Transportation Association, *2015 Fact Book* (Washington, DC: American Public Transportation Association, 2015), <http://www.apta.com/resources/statistics/Pages/transitstats.aspx> (see appendix B tables).

33 We did not analyze San Juan, Puerto Rico.

Table 2
TOD Support for Top 25 Highest Ridership Transit Systems

Transit Rank	State	City/Vicinity	State TOD Support	Regional TOD Support	Local TOD Support	Is there support at all three levels?
1	NY	New York-Newark, NY-NJ-CT	✓	NS	✓	No
2	CA	Los Angeles-Long Beach-Anaheim	✓	✓	✓	Yes
3	IL	Chicago, IL-IN	✓	✓	✓	Yes
4	DC, MD, VA	Washington, DC-VA-MD	✓	✓	✓	Yes
5	CA	San Francisco-Oakland	✓	✓	✓	Yes
6	MA	Boston, MA-NH-RI	✓	✓	✓	Yes
7	PA	Philadelphia, PA-NJ-DE-MD	✓	✓	✓	Yes
8	WA	Seattle	✓	✓	✓	Yes
9	FL	Miami	✓	✓	✓	Yes
10	GA	Atlanta	✓	✓	✓	Yes
11	OR, WA	Portland, OR-WA	✓	✓	✓	Yes
12	MD	Baltimore	✓	✓	✓	Yes
13	CO	Denver-Aurora	NS	✓	✓	No
14	CA	San Diego	✓	✓	✓	Yes
15	MN	Minneapolis-St. Paul	✓	✓	✓	Yes
16	TX	Houston	✓	✓	NS	No
17	TX	Dallas-Fort Worth-Arlington	✓	✓	✓	Yes
18	AZ	Phoenix-Mesa	NS	✓	✓	No
19	HI	Urban Honolulu	✓	NS	✓	No
20	NV	Las Vegas-Henderson	✓	NS	✓	No
21	PA	Pittsburgh	✓	✓	✓	Yes
22	OH	Cleveland	NS	✓	✓	No
23	MO	St. Louis, MO-IL	NS	✓	✓	No
24	TX	San Antonio	✓	✓	✓	Yes
25	MI	Detroit	✓	✓	✓	Yes

Key: NS = no support found

Source: Transit ridership by city obtained through the American Public Transportation 2015 Fact Book, Appendix B, Sheet UZA, <http://www.apta.com/resources/statistics/Pages/transitstats.aspx>.

Note: Support was identified by AARP research. This source only refers to the identification of the 25 highest transit ridership systems.

Conclusion: TOD Growth Reflects Success as New Challenges Emerge

The past six years saw a significant increase in the number and variety of TOD programs and policies advanced by all levels of government

across the United States. This growth demonstrates the growing demand by people of all ages for walkable neighborhoods conveniently served by reliable public transit options. Locating development and employment opportunities near high-quality transit both improves the ability of people to reach essential destinations without the need of a car and increases transit

ridership. Creating communities where people can safely walk and conveniently reach a variety of places within their neighborhood and access regional transit expands personal mobility and independence.

Local governments, in particular, are stepping up to support TOD through a variety of policy, planning efforts, and fiscal incentives. Regional agencies play an important role in supporting local communities as they implement TOD. For example, transit agencies are increasingly using their real estate assets to catalyze development near transit, and MPOs are taking the lead in drawing up model TOD zoning district templates or design guidelines that localities can adopt within their own policy and regulatory documents. States are emerging as key financial partners, enabling local and regional agencies to join with private developers to increase the supply and range of housing located near public transit. The nonprofit sector has elevated the issue of equity throughout TOD planning and construction, and it is partnering with the public sector to increase affordable housing in these neighborhoods. Together, these actions set the stage for improved livability in communities of all sizes.

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