Zoning Code Amendments: TOD Base District

What is it?

- TOD Base Zoning allows for zoning districts that focus on TOD-supportive elements and can be more explicit about mixed-use requirements, parking reduction and elimination, and other performance-based metrics. Once introduced, the TOD Base Zoning replaces the underlying district and can be created to accomplish any goals desired by the community and relevant implementation agencies and organizations.
- The main goal of introducing TOD Base Zoning is to create a more predictable process that can more directly influence broader infrastructure and design decisions for a wider range of development projects.
- Typically, a base zone district is established when there is an intent to apply this zoning to multiple locations within the municipality as opposed to a solution that relates to only one area.

Who can use it?

- Similarly, to TOD Zoning Overlays, TOD
 Base Zoning is primarily led and
 implemented by municipalities. Note:
 PRT, as a property owner, can petition to
 have its property rezoned to an existing
 zone or for a Planned District to support
 TOD projects on its property.
- To ensure that the final zoning language, goals and metrics, and purpose of TOD Base Zoning is in line with expectations of the transit agency, there should be significant coordination with the relevant transit agency.

- Typical process:
 - Municipal or County staff apply and present the district to the Planning Commission for approval (may be a multi-month process).
 - Planning Commission reviews zoning amendments which typically includes a public hearing with notices sent to property owners and published for the public before approval. Can be approved with conditions that change some aspects of the proposed legislation.
 - Once approved by Planning Commission, this moves to a 30or 45-day review before the municipality's Council with a similar public hearing and notice process to Planning Commission.
 - If approved by Council, the Mayor typically signs the legislation into law.
- Implementation challenges include:
 - Similarly, to introducing new overlay districts, TOD Base Zoning can be confusing for property owners, developers, and the public so a significant amount of targeted education is recommended to ensure there is full buy-in and utilization by property owners and developers with new projects.
 - Need full political support and buy-in from local administration, especially if the TOD Base Zoning introduces a fiscal impact for administration of the ordinance.
 - Ordinance should be written in a simplistic manner so it can easily be understood by all entities and/or individuals, simple and straightforward to administer, and reduce the likelihood for compliance and enforcement issues.

 Imposing higher standards or restricting land use on certain properties can raise equal protection and takings issues for property owners.



Figure 1: INDYGo Station in Indianapolis at the heart of a recently upzoned neighborhood.

Case Studies

- Montgomery County, MD <u>Transit</u>
 Oriented Development Model Ordinance
 - Uses based on station area typology
 - Car-oriented uses prohibited
 - Public and private gathering spaces required
 - Design regulations to engage buildings with the street
 - Minimum, maximum, and bonus height options available
 - Shared parking incentives
 - Reduced minimum parking requirements
 - Parking structure design requires the aesthetics to look like building
 - Sidewalk, street tree, crosswalk, and street furniture standards also included

Station Area Typology



Figure 2; Source - Montgomery County Planning Commission, montcopa.org/PlanningTOD

- Indianapolis, IN <u>Citywide Land Use and</u> <u>Development Strategy</u>
 - The Comprehensive Plan is a long-term vision for how Indianapolis and Marion County grows and develops as a healthy, inclusive, resilient, and competitive city.
 - Recalibrated the lot and yard standards in Dwelling Districts across Marion County to support and encourage more infill housing.
 - Revised the development standards for Mixed-Use Districts to promote commercial and neighborhood developments.
 - Added design standards that support walkability, improved streetscapes, and better residential and commercial design.
 - Expanded housing types to support greater housing diversity and affordability.

Overhaul Parking Requirements

What is it?

- The purpose of establishing off-street parking maximum standards in zoning ordinances is to limit the construction of parking lots that are larger than necessary. Such a regulation can help a developer push back on financial institutions which often have high expectations for parking in project proformas.
- The purpose of establishing parking minimums is to ensure that there is sufficient off-street parking for each development, most often based on the building use and size.
- In addition to these basic functions, parking minimums and maximums can also include the expansion of car parking substitution strategies, including strengthening zoning language around bike parking standards and transit facility incentives for new developments to adhere to.
- City of Pittsburgh parking regulations:
 - The Central Business District and Uptown Ecolnnovation District do not currently require off-street parking. Recent rezonings along the riverfronts (RIV) and in Oakland (UC-E, UC-MU, and R-MU), reduced parking minimums and established parking maximums.
 - o Parking requirements can be further reduced through payment into a Mobility Trust Fund used to fund projects and programs including transit. The concept is that the developer supports non-SOV options for getting to and from the building and has thus addressed the trips they may be generating that would otherwise be addressed through parking.

- Several other neighborhoods, including East Liberty, North Shore, and Central Northside, have reduced parking minimums through a Parking Reduction Overlay.
- 2009 revisions to the Zoning Code allow Pittsburgh developers to forego up to 30% of spaces for providing bike parking in the facility.
- Depending on the level of political will and buy-in from leadership, there is an opportunity to explore eliminating parking minimums for new development within ½ mile of frequent transit.
- More recently, municipalities have started including requirements for EV charging in a percentage of parking spaces and ensuring that parking structures are design to be converted to other uses in the future when parking demand is reduced (e.g., by using flat decks and central ramping).

Who can use it?

- Municipal government is primarily who uses parking minimums and maximums, but they can also be negotiated into planned districts and master plans.
- In some states, the state government has set limits on the amount of parking that can and must be provided.

- The implementation process is identical to TOD Base and Overlay Zoning amendments.
- Implementation challenges include:
 - Public pressure and pushback, particularly from residents, car owners, and some developers.
 - Requires political will and leadership due to the controversial nature of parking.



Figure 3: GBNRTC; Seneca One Tower near the Seneca Light Rail Station

particularly in its downtown core. Developers built more housing and commercial space on smaller parcels of land, which helped revitalize previously underutilized areas of the city. Additionally, by encouraging more sustainable modes of transportation, the city has been able to reduce traffic congestion and air pollution, while making it easier and more pleasant for residents to get around on foot or by bike.

Overall, the elimination of parking requirements in Buffalo has been viewed as a success and has served as a model for other cities looking to promote more sustainable, livable communities.

Case Study

One example of a city that has eliminated parking requirements is Buffalo, New York. In 2017, the Buffalo Common Council approved a new zoning ordinance that eliminated minimum parking requirements for new developments in the city's downtown and surrounding neighborhoods. The decision was part of a broader effort to promote more sustainable, pedestrian-friendly communities and to reduce the city's dependence on cars.

Prior to the change, developers in Buffalo were required to provide a certain number of parking spaces for each new building they constructed, based on the size, placement, and intended use of the building. This often resulted in large parking lots and garages that took up valuable urban space and made it more difficult and expensive to build new housing and commercial developments.

Under the new ordinance, developers are still allowed to build parking facilities if they choose to do so, but they are no longer required to do so. Instead, the city encourages developers to consider alternative transportation options, such as bike lanes, public transit, and walkable streets. The ordinance also includes incentives for developers who choose to build in areas with good access to public transit, such as reduced building height requirements.

Since the elimination of parking requirements, Buffalo has seen a surge in new development,

Federal Funding: Transportation Infrastructure Finance and Innovation Act (TIFIA)

What is it?

- TIFIA is a low-interest credit assistance program administered by the USDOT through the Build America Bureau and enables the implementation of transit and TOD corridor projects of regional significance. This can include new or upgraded corridors.
- Many large-scale, surface transportation projects (i.e., highway, transit, railroad, intermodal, freight, and port access) are eligible projects for assistance.
- The goal of the TIFIA program is to fill market gaps and leverage substantial private co-investment through supplemental, subordinate investment in critical improvements to the nation's transportation system.
- View <u>Program Guide</u> details here and <u>TOD Guidance FAQ</u> page.
- Available as TIFIA Lite and TIFIA 49
 - TIFIA Lite has historically been a useful tool for large, complex transportation infrastructure projects that need low-cost financing. Experienced borrowers with strong credit and small, shovel-ready projects can access an expedited application process. Eligible projects can receive up to a \$100 million loan and approval can be granted up to six months faster than an average TIFIA application.
 - TIFIA 49 makes transit and TOD projects eligible for loans up to

the maximum level permitted by law through TIFID program (49 percent of total costs whereas most other projects are eligible for TIFIA loans up to 33 percent). Eligible transit projects include capital projects or associated improvement infrastructure or vehicles for public transportation systems, including but not limited to bus, subway, light rail, commuter rail, trolley, or ferry, etc.

Who can use it?



Figure 4 - TOD for future rail station or corridor

 Eligible applicants include state and local governments, transit agencies, railroad companies, special authorities, special districts, and private entities.

- Eligible applicant(s) prepare and apply to the USDOT.
- Implementation challenges include:
 - Typically, a lengthy application process; and
 - National program means a more competitive process.

Federal Funding: Rebuilding American Infrastructure with Sustainability and Equity (RAISE)



Figure 5: Concept for upgraded station supported by RAISE funding

What is it?

- The Rebuilding American Infrastructure with Sustainability and Equity (RAISE) program, previously known as BUILD and TIGER, is a competitive grant program administered by the United States Department of Transportation (USDOT) that provides funding for transportation infrastructure projects in the United States.
- The program was established in 2009 and has since been awarded over \$8.8 billion in grants to support various projects, including highways, bridges, transit systems, ports, and freight rail. The program emphasizes sustainability, equity, and resilience, and prioritizes projects that promote economic growth, improve safety, and reduce environmental impact.
 - In 2021, the program was renamed RAISE and received \$1

billion in funding, which will be awarded to projects that meet the program's goals and criteria through a competitive application process.

Who can use it?

 Eligible applicants to the RAISE grant program include state and local governments, including U.S. territories, tribal governments, transit agencies, port authorities, metropolitan planning organizations (MPOs), and other political subdivisions of state or local governments.

- While private entities, including for-profit and non-profit organizations, are not eligible to apply directly for grants under the RAISE program, they may partner with an eligible applicant as a sub-recipient or contractor.
- All applicants are required to demonstrate financial stability and have a feasible plan to finance the project beyond the grant period.
- The program is highly competitive, and 50% of funding is designated for projects in rural areas, and 50% of the funding is designated for projects in urban areas.
 - Approximately two-thirds of projects are in areas of persistent poverty or historically disadvantaged communities.

Federal Funding: Pilot Program for Transit-Oriented Development Planning

What is it?

The Pilot Program Transit-Oriented Development Planning is a competitive grant program launched by the Federal Transit Administration (FTA) in 2015 to support transit-oriented development (TOD) projects in the United States. The program aims to encourage mixed-use, pedestrian-friendly communities near high-quality public transportation, such as bus or rail systems. The program provides funding for planning, predevelopment, and construction activities related to TOD projects, and prioritizes projects that would increase access to affordable housing, improve economic competitiveness, and promote sustainable growth. The pilot program was intended to demonstrate the potential benefits of TOD for communities and spur further investment in this type of development.

- Funding for communities to integrate land use and transportation planning with a new/expanded fixed guideway (high frequency, rapid transit service which operates on a dedicated right-of-way) or core capacity transit capital project (improvements to an existing rail facility which increases capacity by at least 10%)
- Creates opportunity to plan TOD for entire corridors, prioritizing development that will have network-wide impacts

Who can use it?

 Transit agencies, in cooperation with local governments and the private sector (developers)

How do you implement it?

- Comprehensive planning funded through the program must:
 - Examine ways to improve economic development and ridership
 - Foster multimodal connectivity and accessibility
 - Improve transit access for pedestrian and bicycle traffic
 - Engage the private sector
 - Identify infrastructure needs
 - Enable mixed-use development near transit stations

Implementation examples:

New Corridor

The City of Phoenix Public Transit Department will receive funding to plan for TOD at 11 stations proposed along a five-mile streetcar line to connect activity centers in the city of Mesa.

Expanded Corridor

PRT will receive funding to plan for TOD on a 9.1-mile dedicated bus rapid transit corridor in the Upper Mon Valley.

Federal Funding: Railroad Rehabilitation & Improvement Financing (RRIF)

What is it?

- The Railroad Rehabilitation & Improvement Financing (RRIF) program is a loan program administered by the Federal Railroad Administration (FRA) in the United States. The program was established in 1998 to provide direct loans and loan guarantees to finance the acquisition, improvement, or rehabilitation of railroad infrastructure and equipment.
 - Financing for Improving Railroads
 - Can be used for financing TOD and Rapid Transit
 - Low Interest Rate
 - Interest does not accrue until proceeds are drawn
 - o Flexible amortization
 - No pre-payment penalty

Who can use it?

 Eligible borrowers under the program include railroads, state and local governments, government-sponsored authorities, and corporations that own or operate railroad infrastructure.

How do you implement it?

- The program has provided over \$7 billion in loans and loan guarantees for various projects, including track upgrades, locomotive and rolling stock purchases, and intermodal facilities.
- The program is designed to support the development of safe, efficient, and environmentally sustainable rail transportation in the United States, and to promote economic growth and job creation. The terms and conditions of the

loans are negotiated on a case-by-case basis, and the interest rates are determined by the prevailing market conditions at the time of the loan.



Figure 6: Former freight rail corridor converted to transit and TOD

Local Funding: Transit Revitalization Investment District (TRID)

What is it?

- A Transit Revitalization Investment District (TRID) is a Pennsylvania program created to foster neighborhood revitalization near transit which otherwise would not be financially feasible. TRID utilizes future increased tax revenues generated by a designated district to pay for eligible costs of TOD and transit-related infrastructure projects within the district to enable the completion of projects that produce quality, full-time jobs for residents, increase the tax base, leverage substantial private investment, improve the transit infrastructure, increase the quality and ridership of public transit.
- The program was first created and governed by the TRID Act in 2004, see the Appendix in the <u>URA's TRID</u>



Who can use it?

 TRID can only be used in projects where traditional financing is insufficient for project completion, the projects will have a positive impact on the neighborhood in which it will be built and will complement

- existing commercial and residential development in the city.
- Public agencies and private entities are both eligible to apply for TRID; however, all private entities (i.e., for profit and not for profit business or organization) applicants must submit a complete TRID Private application.

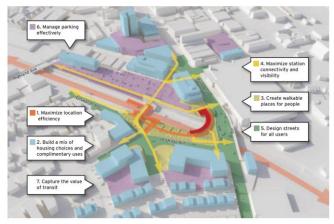
- Each applicant's TRID application must also include a TRID Implementation Plan with the following details:
 - o Background on the development area
 - Description of presently known project applicant(s)
 - Description of the proposed development(s)
 - Description of the proposed boundaries of the TRID
 - Maps of the proposed TRID
 - Estimated costs of the proposed developments, including public infrastructure
 - Economic and fiscal impact of the TRID study's proposed development(s), assuming full implementation
 - TRID amount
 - Improvements to be financed with TRID proceeds
 - Pledged parcels within the proposed TRID
 - Current assessed value and tax base
 - Projected assessed value & pledged revenue
 - Provisions for insufficient TRID revenues and excess tax increment
 - Other financial details of the proposed TRID and potential projects, if available
 - Estimated non-project costs
 - Proposed changes to all applicable local plans, ordinances, and codes
 - Description of Management Entity and participating public entities

- Statement on community engagement
- Statement of proposed method for relocation (if applicable)
- Expected TRID establishment date & duration of TRID

Implementation Examples:

• <u>East Liberty TRID Phase I & II</u>

APPLYING THE TOD PRINCIPLES TO EAST LIBERTY



- 1. New Relocated Platforms & Canopies
- (2) Entry Plaza & Transfer Concourse
- ③ On-Street Shelters, Waiting Areas & Bicycle Garage
- 4) New Pedestrian Bridge & Stairs
- 5. New Emergency Access

Figure 7: East Liberty TIF proposed improvements; Source: City of Pittsburgh TRID Application

Local Funding: Tax Increment Financing (TIF)

What is it?

- Tax Increment Financing (TIF) is a tool used to foster private development to finance projects where traditional and other types of public financing are insufficient to ensure the project's completion. TIF utilizes future increased tax revenues generated by a development project to pay for eligible project costs.
- Both TIF site and TIF District projects are eligible, but TIF districts must be contiguous geographic areas within certified Redevelopment Areas through the process set forth in the Urban Redevelopment Law.
- Eligible TIF projects include commercial, industrial, and residential development.
 For additional eligibility criteria, see the <u>TIF Guidelines</u> document.

Who can use it?

- The TIF program is governed by the Commonwealth of Pennsylvania's Tax Increment Financing Act (TIF Act). Locally, the program is overseen and managed by municipal redevelopment authorities such as the Urban Redevelopment Authority (URA) in the City of Pittsburgh and the Allegheny County Department of Economic Development.
- Like TRID, both private and public entities are eligible applicants for TIF.

How do you implement it?

Applicant(s) submit completed TIF
 Application for review and approval by
 the URA and Allegheny County Economic
 Development (ACED). Multiple rounds of
 public process are required for TIF
 adoption, including the presentation of
 draft TIF plan to a TIF Committee, at least

one City public hearing, community engagement, and during the TIF District Creation plan.



Figure 8: Firstside Light Rail Station TIF District, Source: <u>ULI</u> <u>Development Case Study</u>