

Scan of National TOD Activity

On Behalf of the Funders' Network for Smart Growth and Livable Communities

Maximizing Transit and Transit-Centered Growth to Benefit All



September 2012





Reconnecting America is a national nonprofit that is helping to transform promising ideas into thriving communities—where transportation choices make it easy to get from place to place, where businesses flourish, and where people from all walks of life can afford to live, work, and visit. At Reconnecting America we not only develop research and innovative public policy, we also build the on-the-ground partnerships and convene the players necessary to accelerate decisionmaking. For more information, visit www.reconnectingamerica.org.



The Fundations' Network for Smart Growth and Livable Communities is a membership organization that helps grantmakers across North America advance strategies to create fair, prosperous, and sustainable regions and communities that offer everyone the chance for a good life. We believe that the suite of tools available to funders—investing, grantmaking, collaborating, convening, facilitating, and more—uniquely position them to lead the movement for smarter growth policies and practices that benefit both places and people. For more information, visit www.fundationsnetwork.org.

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INTRODUCTION

The Funders' Network for Smart Growth and Livable Communities (TFN) commissioned Reconnecting America to conduct a national scan of transit-oriented development (TOD) activities across the United States. The goal of this scan was to assess the level of activity and momentum around TOD across the country. Of special interest was the role that funders are playing to influence TOD outcomes that are benefitting low- and moderate-income people—what we call equitable TOD—and drawing lessons from their experiences to inform the Funders' Network and other stakeholders investing in the field.

To that end, Reconnecting America and TFN have scanned the national landscape of regions supporting TOD with the following questions in mind:

- What form has “TOD momentum” taken in these regions, and why are different stakeholders motivated to support TOD?
- What kinds of activities, investments, and interventions are producing more equitable TOD outcomes and at what point along the “TOD continuum” are these most effective?

- Who are the key actors or champions in making TOD happen? Government; the business community; labor; community or regional advocates?
- What role have funders played in the past in successfully promoting equitable TOD, and what role could they play in the future, especially in emerging TOD regions?

For the purposes of this paper, the term equitable transit-oriented development is used to describe an intentional approach to TOD planning and implementation that ensures that the coordinated transportation, urban design, land use, development, and investments made near light rail and bus rapid transit (BRT), and the existing bus network, are directly benefitting low- and moderate-income households and connecting them to opportunities to improve their quality of life. Equitable TOD also implies that people of all incomes, ethnicities, and perspectives are actively and meaningfully engaged in the decisionmaking process. This term and the strategies regions are taking to support equitable TOD are discussed throughout this paper.

EXECUTIVE SUMMARY

Despite the current political and economic leanings towards public spending cuts, demand for fixed-guideway transit including light rail and dedicated lane bus (aka Bus Rapid Transit or BRT) is stronger than ever. In 2000, 28 regions had light rail or BRT systems. By 2010, the number of regions with fixed-guideway transit had grown to 40. There are more than 600 rail or BRT corridor plans on the books in over 90 regions across the country. If all of these planned lines are built, nearly every region with a population over 500,000 will have a light rail or BRT system.

There are many reasons why cities and regions are interested in building out their transit infrastructure including reductions in congestion and vehicle miles traveled (VMT). In the current economic climate, a key motivation that has gained considerable traction in regions big and small is the belief that transit investments can serve as a catalyst for economic growth and enhanced regional economic competitiveness. This is increasingly true as metropolitan regions come to terms with the fact that not only are they competing against other regions in the United States but increasingly against regions across the globe for the jobs and the educated workforce—the desirable “creative class”—attracted to those jobs.

But to achieve these benefits, transit investments must be supported with integrated land use, design, and infrastructure investments in a coordinated way known as transit-oriented development (TOD). TOD reinforces transportation choices for households and ensures the success of the transit system by building stable ridership in nearby

communities. Transit alone does not ensure good TOD.

Yet, many places have failed to make the connection between transit and TOD. If regions invest in billion-dollar transit systems, but fail to support these systems with the right land use policy, development, and infrastructure, the transit systems will not fully leverage the potential of transit as an economic development catalyst, a congestion relief agent, a tool for building healthy communities, and a viable mobility choice.

Some regions that understand the need for coordinated TOD planning and policy do not necessarily pursue policies or strategies that offer affordable living choices or other amenities near transit for households of all incomes. Only a handful of regions have actively embraced the concept of “equitable TOD”—which considers how community and economic development activities around transit will benefit people of all incomes and serve to produce a range of improved local and regional outcomes related to health, employment, income, and educational attainment.

When economic development, congestion relief, or growth management are the core reasons for support of TOD, TOD-related strategies instituted by public sector professionals or private sector investors will tend to more heavily emphasize attracting a higher income labor pool, so-called “riders of preference” who would otherwise drive to work, and new market rate development to transit-oriented locations. These choices are often made instead of facilitating the ability of lower income households and “riders of

necessity” to live near transit, or preserving the existing affordable housing already in place in these transit-oriented locations. An inevitable tension can erupt, particularly in tenuous economic times, where strategies supporting equitable TOD can be considered a barrier to private market forces, slowing down the process or frightening potential investors away. This is a shortsighted perspective that equitable TOD efforts seek to overcome.

Though this paper focuses on regions that have existing momentum in support of TOD, it is important to understand that just because a region is investing in transit, does not mean that region is adequately planning for transit-oriented development (TOD) and equitable outcomes resulting from significant transit investment. Places that are investing in transit and have made some headway through the transit planning process are fruitful places to focus attention on TOD. In fact, for funders and stakeholders considering investments in support of TOD, there should be a sense of urgency in places that are far along on the transit planning and construction process, but have demonstrated little strategy or capacity to support TOD and equitable TOD outcomes.

The TOD Continuum

Cities and regions across the country are at different points along the path of TOD implementation. In assessing TOD activity nationwide, this report utilizes the notion of a “TOD Continuum” as a conceptual framework by which funders and other stakeholders can

evaluate the state of readiness of various jurisdictions across the country. The Continuum can help funders understand the different types of interventions that are needed at different points in time to advance and potentially accelerate equitable TOD implementation in places.

The TOD Continuum is not meant to serve as an inflexible, linear progression of activities, but it does serve to outline the types of planning, programs, and policies and the stakeholders involved at different points in the process that help a city or region reach significant benchmarks in equitable TOD implementation. The TOD Continuum acknowledges the capacities that need to be in place, regardless of what order they come in along the TOD Continuum, such as the existence of transit, TOD champions, completed TOD planning and visioning, TOD supportive policies, and the capacity among a diversity of stakeholders to engage in TOD planning and implementation.

The main objective of funders in any issue area is to make a sound determination about what investments are needed, who are the most capable stakeholders to produce outcomes, and when those investments need to take place. The TOD Continuum concept helps funders in that decision-making process.

What follows is a map (Figure 1) showing a ranking of metro regions across the TOD Continuum. A much fuller explanation follows in the full report.

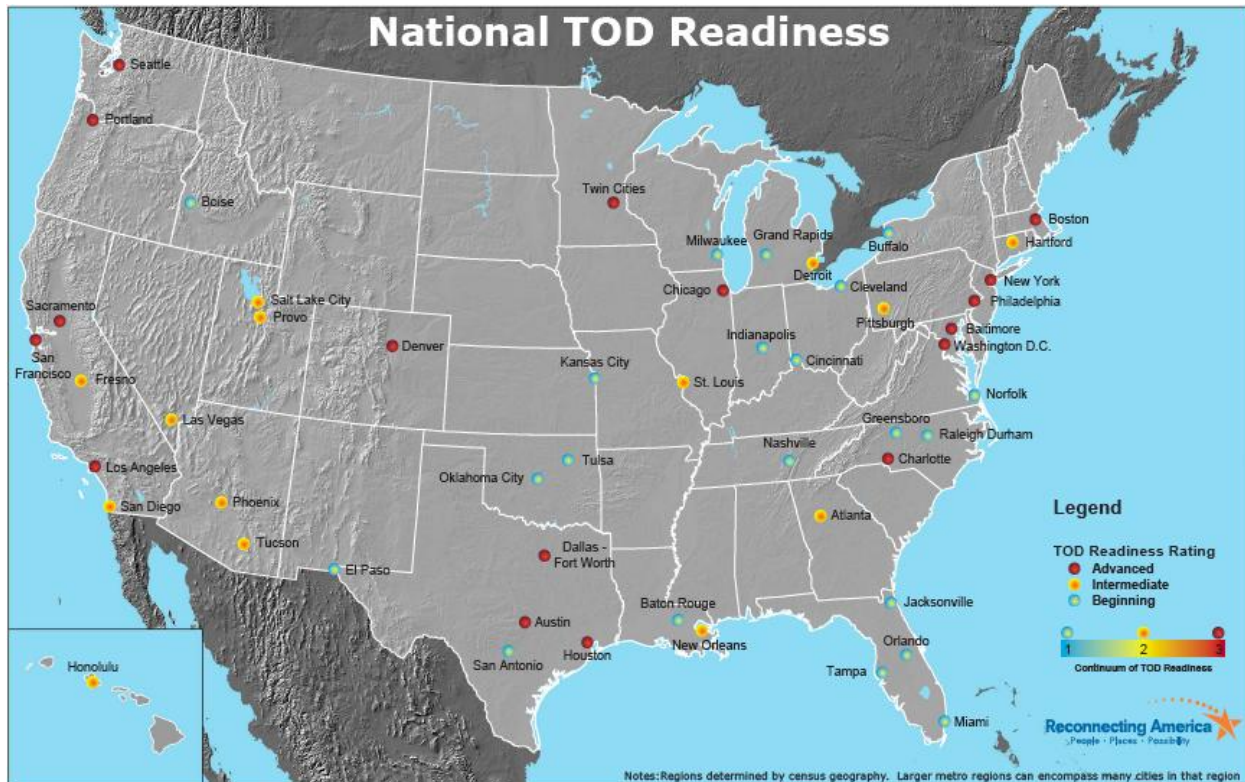


FIGURE 1

The Role of Funders

Funders have played a key role in building the capacity and inclination of public agency staff, advocates, policymakers, academic researchers, and politicians at the local, regional, state, and national scales to move along the continuum towards advancing equitable TOD. This paper highlights specific examples of the types of roles funders can play to advance TOD—and particularly equitable TOD—across the country. In particular:

Cultivate Champions.

A strong voice in support of TOD can have a major influence in changing the direction of TOD policy and implementation. Champions of TOD might include nonprofit organizations, public sector leaders, private sector allies, labor, health professionals, or funders themselves. Funders can help stakeholders more proactively

embrace their role in supporting equitable TOD and elevate the conversation to keep related long-term goals and visions in mind.

Convene and Foster Coordination.

Successful TOD requires the integration of practitioners from all fields including transportation, housing, land use planning, street design, building, and economic development. Coordination across local, regional, and state agencies is also important, but rarely occurs on its own. Such coordination is particularly critical to ensure inclusive and equitable transit-oriented development is an end goal. Funders can offer strong leadership by creating a virtual or actual table where these many actors can come together and coordinate.

Enhance Public Sector Capacity and Spirit of Innovation.

In today's resource constrained and understaffed environment, it can be a challenge for public sector leaders to consider deploying innovative strategies to support TOD given many struggle to deliver on the basic day-to-day functions of their positions. Many public sector leaders understand the need to consider equitable TOD objectives but do not necessarily understand the steps needed to deliver those outcomes. Funders can build public sector capacity to help set the vision for TOD implementation, establish explicit goals and targets for inclusion of all households in TOD, and offer the technical support needed to achieve complex outcomes.

Make the Case and Provide Political Cover.

In communities where transit-oriented development and smart growth can be hot button issues for whatever reason, public sector leaders, particularly elected officials, need the cover provided by advocates, funders, think-tanks, the business community and others to advance more innovative and transformational policies. This case can be made in a data-driven way that resonates with other goals of political leaders, such as economic competitiveness, the growing aging population, and other demographic shifts, or addressing the obesity epidemic.

Change Policy at the Regional, State, Federal Scales.

When state or metropolitan planning organizations provide strong leadership by offering policies requiring or incentivizing

TOD, the outcomes can be highly impactful. When more public dollars, including federal dollars, begin to flow to TOD, actors who may have been neutral or even unsupportive of TOD concepts may change their minds. Such policy change is often a heavier lift for funders, but the rewards for funding policy and advocacy can be substantial and systemic.

Getting Started

The appropriate path for a funder getting started in encouraging support for TOD will depend on a number of factors, including where the region falls along the TOD Continuum discussed above, who the likely champions of TOD are, and what policies or political structures may be acting as barriers to TOD. The funder roles outlined above are general, and can be targeted to a range of stakeholders. For example: regional governments who should be directing more transportation funds towards walking and biking infrastructure; a mayor who supports transit but not TOD; the affordable housing community trying to anticipate neighborhood change that might happen as a result of transit investment; city planning staff who have limited experience designing planning processes that are inclusive and accessible to diverse residents; or the local department of transportation who prioritizes the car in every decision made. Making the case for transit and TOD, bringing players together, setting goals, and devising implementation strategies are methods that have proven successful in many regions across the country.

I. WHAT MOTIVATES CITIES AND REGIONS TO SUPPORT TOD?

There are myriad reasons that a growing number of regions around the country are championing TOD. Some of the more prominent motivators are described below.

TOD as an Economic Driver

Building upon the growing body of arguments stating that reduced congestion and improved quality of life can result in greater regional economic competitiveness, many regions have adopted TOD into the arsenal of tools that can produce these outcomes. A handful of regions motivated by economic competitiveness have started first (or even exclusively) by investing in their downtown core—such as Oklahoma City or Grand Rapids, Mich.—and may not consider “transit-oriented development” per se to be the term used for their activities. Others—such as New Orleans and Tampa/Orlando—are grasping the role that intercity rail can play in unifying a larger mega-region, resulting in a more coordinated business attraction and economic growth strategy.

While economic competitiveness may not be the most carefully measured or proven benefit of TOD, competition for major employers and a talented labor pool has certainly been one of the greatest motivators for TOD support among local governments and the business community. As more attention is paid to the high-quality jobs created through transit construction and operation, labor unions have taken a greater interest in TOD and transit. Labor has, for example, been a key proponent of TOD in Honolulu.

TOD for Congestion Relief and/or Air Quality

In many regions, the goal of TOD as an

economic competitiveness strategy is achievable primarily through congestion relief. This was a key motivator in Los Angeles County—long ranked as one of the top 5 most congested places in the country—when voters approved Measure R in 2008 to double the amount of rail and bus rapid transit. Congestion relief has been a greater motivating factor in major metropolitan areas where commutes are generally longer and slower.

Improving air quality by reducing vehicle miles traveled (VMT) is one of the proven benefits of TOD. While this tends not to be as prominent a motivation for supporting TOD in most of the country, some regions in the western United States—where residents can literally see the air they breathe—have found that air quality concerns generate widespread support for enhancing transportation alternatives. California’s Senate Bill 375—which requires every region in California to reduce greenhouse gas emissions to 1990 levels through coordinated land use and transportation strategies—has been the most prominent example of improving air quality through TOD-related activities. This state legislation has been a game changer in motivating metropolitan planning organizations to focus on improving transportation choices.

TOD for Public Health

Increasingly, advocates are approaching TOD issues from more of a public health angle. In addition to the air quality benefits discussed above, addressing high asthma rates, childhood obesity, and the growing population of aging Americans have been core public health motivators for support of TOD in a host of

regions. Pittsburgh—which has one of the fastest-growing aging populations in America—has leveraged greater support for TOD related investments in part by citing research on the mental and physical health impacts of senior isolation as a result of reduced mobility. As more Baby Boomers enter retirement, it is likely that these arguments will have the most leverage in communities across the country, particularly in states like Florida with high populations of older residents and the highest pedestrian fatality rates in the country.

TOD as a Tool for Managing Rapid Growth

The fact that more than half of regions with support for TOD are located in the fast-growing southern and western United States is no coincidence—during the real estate boom of the 2000s, these regions are where TOD made its mark. Regions such as Dallas, Charlotte, and Houston have been surprisingly strong supporters of TOD as a way of managing rapid growth, capturing the value of transit, and reducing congestion. Notably, many of the regions supporting the “development” in TOD also seem to be the most behind when it comes

to understanding and promoting equitable TOD and preserving and producing affordable housing near transit. This is largely because strong demand for market rate development has been the motivation for TOD among key constituencies like business and for-profit developers.

TOD as a Tool for Managing and Focusing Investment

Northeast and Midwest regions that are generally stable or declining in population—such as Detroit, Cleveland, and Baltimore—are finding a different set of motivations for supporting TOD. Many of these places have experienced the loss of industry and jobs and are focused on charting a new vision for their regions that incorporates new economic and social conditions. These regions pursue TOD as a way of focusing and prioritizing investments and resources in the places where transit investments can be leveraged to support a new vision. These are locations where a multitude of outcomes can be realized by channeling investment streams—transit service, access to major job centers, and more compact urban centers.

The TOD Continuum



Over 70 regions across the country have recently invested in light rail or bus rapid transit systems, but only about 30 regions have actually adopted policies or developed tools in support of TOD. The lack of momentum for TOD in over half of the regions with transit underscores the need to understand how regions move from the desire to capture the benefits described above, to actual implementation of activities needed to achieve these benefits.

The concept of a “TOD Continuum” can better help articulate the process by which regions move from interest to implementation. The TOD Continuum is not meant to serve as an inflexible, linear progression of activities, but conceptually outlines the types of planning, programs, and policies needed, and identifies stakeholders that can help a city or region reach significant benchmarks in equitable TOD implementation. The TOD Continuum

acknowledges the capacities that need to be in place at different phases in the process. Key catalysts for TOD implementation along the TOD Continuum include: the construction of fixed-guideway transit; the emergence of strong TOD champions; TOD planning and visioning; the incorporation of TOD supportive policies; and growing capacity among a diversity of stakeholders to influence TOD planning and implementation. For example, the passage of a sales tax measure that rapidly infuses billions of transportation dollars into a region where there is no fixed-guideway transit may accelerate a region in terms of the size and quality of its transit network, but at the same time requires the mobilization and coordination of many stakeholders to focus on land-use planning, housing, financing, and policy change to maximize transit benefits, particularly for low- and moderate-income residents and workers.

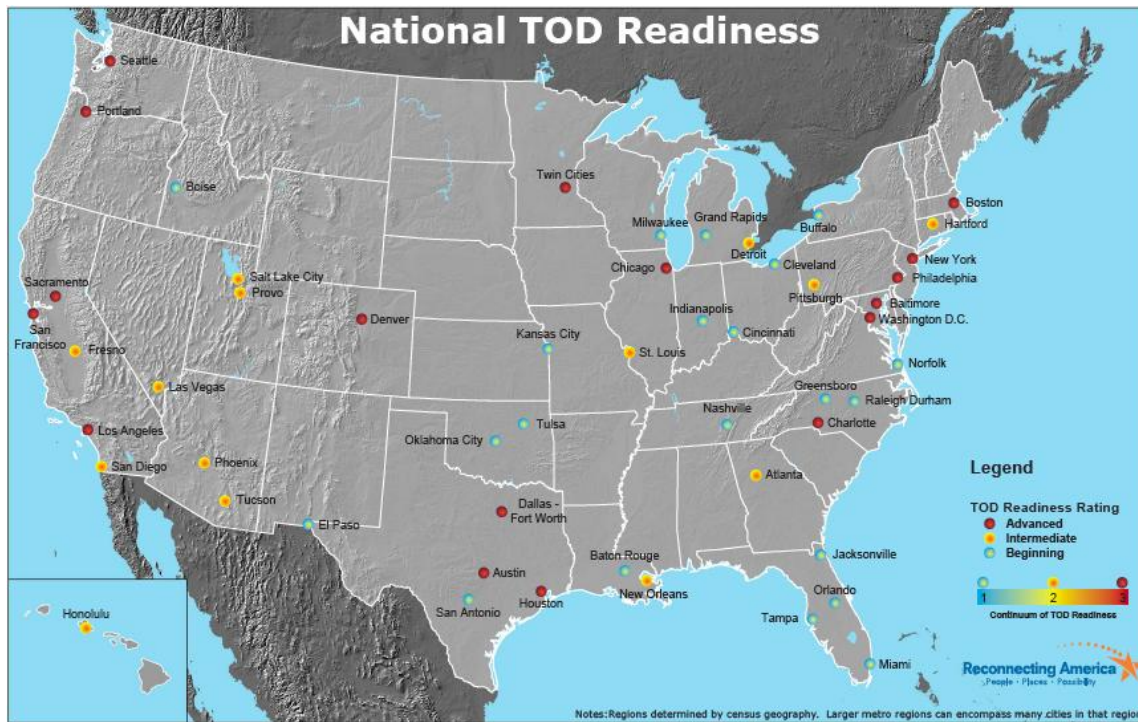


FIGURE 2 shows regions with populations over 500,000 who have shown some momentum for TOD by where they fall along the continuum. The following sections describe some of the regions on this map, to illustrate points along this continuum.

Beginning

Regions like **Tampa, Fla,** and **Boise, Idaho,** fall towards the beginning of the continuum. In Tampa, leaders from the business community have come together in support of investment around the planned high-speed rail connecting Tampa to Orlando, arguing that more compact development near transit will preserve the super-region’s natural landscape and reduce highway congestion. Yet despite this support from the business community, Tampa lacks the public sector or elected official support needed to fund expansion of the transit system and redirect growth to transit-rich areas.

Public support for compact growth has been in place for decades in **Boise, Idaho,** motivated by growth management and concerns that the region’s defining natural landscape could be compromised by sprawling development and

reduced air quality. However, in the anti-tax environment of Idaho, Boise has struggled to secure a dedicated funding source to build its first planned bus rapid transit line

Intermediate

Regions falling across the intermediate area of the continuum are varied in their support and momentum for TOD, but all have a demonstrated strong support for TOD concepts, and enjoy the presence of leaders from the philanthropic, public sector, or advocacy community who are effectively pushing for policy change, funding sources, or implementation tools in support of TOD. These regions fall short of advanced TOD momentum, as they have not yet adopted widespread policies in support of TOD; in other words, concepts behind TOD are not ingrained in the planning culture.

Salt Lake City, Utah has been successful at rapidly expanding its transit system and has a nationally renowned regional plan (Envision Utah). However, the Utah Transit Authority (UTA) pushes most TOD efforts, and most cities have not adopted land use policies or implementation tools to support TOD.

A number of regions with legacy transit systems, like **Pittsburgh, Penn.**, and **New Orleans, La.**, also fall in this category. While some advocates and public sector staff in these two regions are supportive of TOD, they have not yet adopted strong TOD policies, and the state and regional agencies that allocate most of the transportation funding do not see TOD as a transportation-related activity. As regions with slow growing or stable populations, these regions are struggling to find a way to implement and finance TOD when facing significant barriers such as major transit operating deficits and brownfields cleanup of sites.

Advanced

The experience of other legacy systems in supporting TOD, such as **Baltimore, Md.**, and **Boston, Mass.**, shows that these challenges can be overcome even in places with high transit operating costs and slow growth. Early collaboration across the public, private, nonprofit, and philanthropic sectors in **Baltimore** helped set the stage for investments supporting the broad transit network that take into account the workforce access and development potential of transit expansion projects. Support from the State of Maryland, which declared TOD to be a “transportation purpose,” thus allowing for allocation of transportation funds to support compact development, has played a key role in fostering momentum for TOD.

Other regions with newer transit systems, such as **Charlotte, N.C.**, and **Dallas-Fort Worth, Texas**, have quickly moved along the continuum towards supporting TOD by investing transportation dollars in infrastructure improvements to support development. The Charlotte Area Transit System realigned South Boulevard when building its first light rail line to ensure that parcels adjacent to a station would be large enough for significant development opportunities. The North Central Texas Council of Government allocated some of its transportation funds to support station area planning and other improvements in support of TOD.

However, while advanced in implementing TOD, both Charlotte and Dallas-Fort Worth have fallen short of supporting equitable TOD outcomes. These regions are not currently engaged in specific efforts to include low- and moderate-income households in TOD planning and development, in part because TOD has been pushed by market rate developers and the public sector rather than the nonprofit or philanthropic sectors.

In fact, affordable housing policies in Charlotte require all affordable housing built within a quarter mile of transit to be mixed-income, with at least part of the development sold or leased at market rates. This policy was created to prevent concentrated poverty, but in fact actively hinders affordable housing developers from considering locations near transit where they may build a stand-alone affordable housing development within a mixed-income neighborhood. This situation represents a perfect entry-point for philanthropy to bring resources to bear to address barriers in producing equitable outcomes near transit whether by funding advocacy groups to

organize around the issue, supporting data collection and analysis illustrating the issue, or developing inter-disciplinary strategies to influence policy, investment, and programs to level the playing field.

Moving from TOD to Equitable TOD

As the Charlotte and Dallas-Fort Worth examples illustrate, strong momentum for TOD does not necessarily translate into strong support for equitable TOD (ETOD). Some regions with beginning or intermediate support for TOD may have much stronger support for inclusion of equity in other planning activities, but not implicitly focused on opportunities near public transportation. A much smaller subset of regions with strong momentum for TOD have successfully implemented equitable TOD, which takes into consideration investments that support low- and moderate-income households in transit rich communities.

Some inherent conflicts exist in harnessing momentum for transit and TOD, in a coordinated and strategic way. For example, the growing numbers of sales tax measures that have passed in support of transit expansion (and in the case of Los Angeles, to support some level of transit operating costs) have accelerated the time frame in which transit systems can be built, despite stagnating federal resources. But these same sales tax measures are inherently regressive in nature, putting a further burden on households already living at the economic margins. This makes it all the more important to ensure low-income households can capture the benefits of the new transit investment, particularly the associated transportation cost savings that could offset this additional burden. A key way to do this is

to make sure low-income households have the ability to live near transit, where they can reduce their transportation costs, and have improved access to the regional economy.

Even where local actors understand the benefits of making TOD a choice for households of all incomes, they oftentimes do not know how to actually make this happen. This is particularly true for the public sector, and local land use planning agencies in particular, which have been largely divorced from affordable housing and public health discussions. There is a strong relationship between the zoning and regulatory tools that dictate development patterns and the ability to include affordable housing—such as the provision of density bonuses in exchange for affordability set asides or development impact fees to support affordable housing construction—but if land use planners do not understand this complicated relationship then these opportunities are lost.

The reality is that the arsenal of tools available to support ETOD implementation is fairly limited. The growing interest in TOD acquisition and land banking funds among foundations and other investors reflects this thirst for new implementation tools that can provide a broader set of actors a role in supporting the tangible, on-the-ground implementation of ETOD that moves beyond planning. (**Figure 3**).

Funders are playing increasingly sophisticated roles in overcoming some of these obstacles to ensuring that the fast growing efforts to promote TOD take into account the needs of low- and moderate-income households and workers.

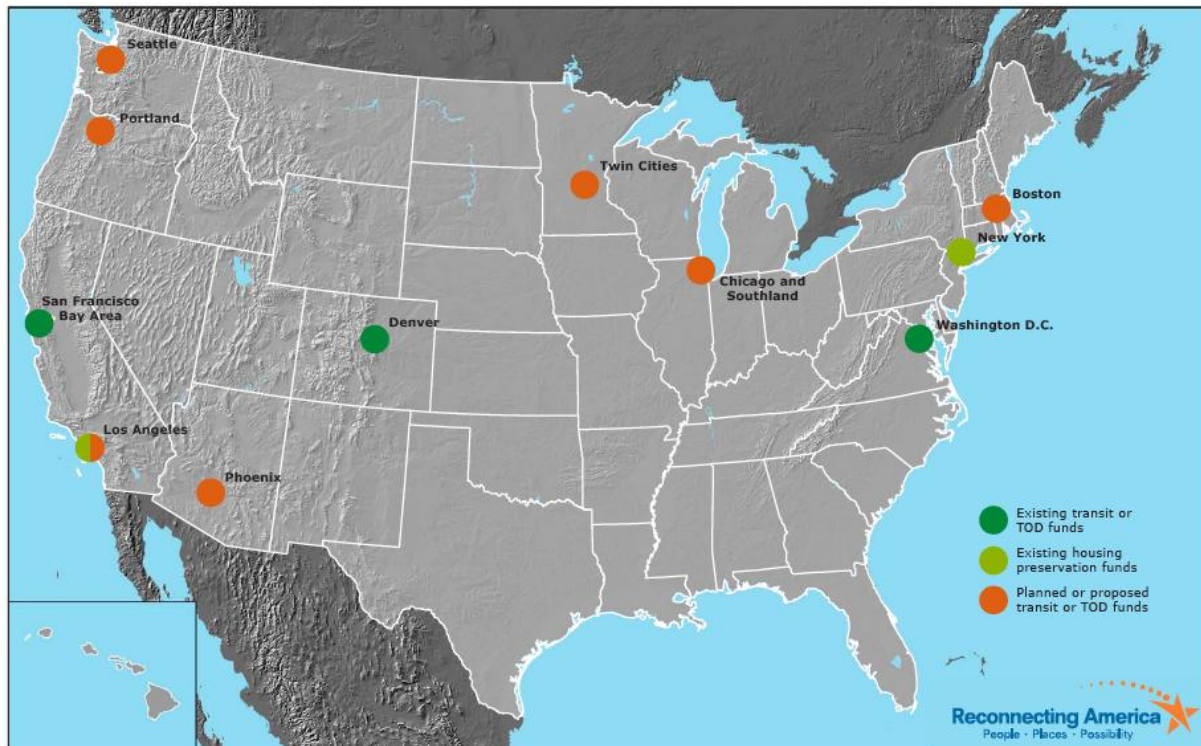


FIGURE 3

II. THE ROLE OF FUNDERS

Given the range of activities associated with promoting transit-oriented development, there are some effective ways in which funders, particularly local community foundations, have demonstrated success in advancing TOD momentum without duplicating efforts of public sector actors, or other actors from the private or nonprofit sectors. While these roles have been highlighted before in previous publications, funder involvement in these issues has become increasingly sophisticated, with funders embracing innovative roles as catalysts for positive change in their regions and communities. While the categories listed below are fairly broad, the investments and activities

funders are engaged in within each category are more nuanced and responsive to the unique context where they are working, and the specific set of stakeholders operating in their region.

Cultivating Champions

Funders can play a unique role in helping to build the capacity of local leaders in multiple disciplines to advance TOD supportive policies, develop new tools, and reallocate funding in support of TOD. Depending on where regions or localities fall along the TOD Continuum, local “champions” will be responsible for coordinating initial investments and pooling resources across the public and

private sector to support TOD planning and implementation.

These champions can include more traditional nonprofit or advocacy organizations, public sector leaders, business allies, labor, or health professionals. Funders can help stakeholders more proactively embrace their role in

supporting equitable TOD, and help identify areas where policy changes or interventions are needed.

The Itasca Project Minneapolis/St. Paul, Minn.

The Itasca Project was initiated by the McKnight Foundation to engage the business community in coordinated efforts to improve the quality of life in the Minneapolis/St. Paul (Twin Cities) region. The Itasca Project is now an independent employer-led civic alliance promoting new and better ways to address Minneapolis/St. Paul regional issues that impact its economic competitiveness and quality of life. Its 50-plus participants are primarily private sector CEOs. The group also includes a small number of public and nonprofit leaders, including the governor of Minnesota, the mayors of Minneapolis and St. Paul, the chair of the Metropolitan Council, the leaders of the University of Minnesota and Minnesota State Colleges and Universities (MNSCU), and leaders of major foundations and the United Way. The Itasca Project has two main goals: 1) Build a thriving economy and quality of life in the Twin Cities region; and, 2) Reduce and eliminate socioeconomic disparities. Among its priorities is the expansion of the region's transportation network. The McKnight Foundation played a pivotal early role convening the group and providing seed funding to support this new alliance

The Red Line Community Compact Baltimore, Md.

In Baltimore, funders long collaborating on neighborhood development saw opportunity for neighborhood residents in a proposed regional light rail investment, the Baltimore Red Line. Beginning with grants for asset mapping and community planning in West Baltimore, Baltimore Neighborhood Collaborative funders partnered over several years to strengthen the community's capacity to organize and to determine what it wanted from a light rail line. Grants supported a regional job analysis, community-focused transit alignment assessments, and a "Transit Around the Nation" tour for community and public leaders. The tour sparked discussion of ways to ensure that community residents would benefit directly from the transit investments, eventually resulting in a community agreement (compact). The Red Line Community Compact was initiated by the Mayor's office in 2008, in partnership with a range of public agency, community, business, advocacy, and philanthropic leaders to ensure that the planned Red Line light rail would maximize benefits for existing residents of neighboring communities including West Baltimore. Through this process, this multifaceted group came to agreement on key goals for the Red Line, including a local hire policy during transit construction, coordination with workforce development agencies, genuine engagement of neighborhood groups in station design and development, and support of local businesses to minimize impacts of light rail construction. Local residents and neighborhood leaders have become significant partners in the process, and speak on behalf of the light rail project. www.gobaltimoreredline.com

Convening and Fostering Coordination

Often, different sectors need to come together in a coordinated fashion to optimize roles and responsibilities, develop interdisciplinary strategies, and just share information. Most public agencies do not see themselves as responsible for equitable TOD implementation, nor do most have designated staff people to serve in this coordination role, particularly in today's constrained fiscal situation. Surprising as it is, public agency staff rarely have the opportunity to engage with their colleagues in other sectors, which poses a challenge when interdisciplinary approaches are required to foster successful equitable TOD implementation. Given this reality, funders can play a significant role in convening diverse stakeholders around TOD issues, helping to foster information-sharing, trust-building, and cross-sectoral strategy development.

Funders can also help level the playing field by providing stakeholders equal access to those in power. While business interests often have a seat at the table in public transportation and land use planning efforts (i.e. through developer focus groups or one-on-one discussions with major employers), advocacy groups are often lumped together and subject to public outreach processes that often fail to meaningfully engage diverse stakeholders in productive decisionmaking. As is often the case, public processes generally happen a day late and a dollar short and are really used more to get rubber stamp approval of preconceived ideas than to genuinely collect feedback. Funders can elevate the voices of advocates and ensure other perspectives are sufficiently and strongly included earlier in the decisionmaking process.

Living Cities Integration Initiative Cleveland, Detroit, Newark, Baltimore, Twin Cities

The Living Cities Integration Initiative is currently supporting efforts in five cities—Cleveland, Detroit, Newark, Baltimore, and the Twin Cities of St. Paul and Minneapolis—to break down silos among public, private, philanthropic, and nonprofit sectors with the goal of catalyzing systems change to meet the needs of low-income people. Each city is focused on issues distinct to their place. For example, in Baltimore, the Baltimore Integration Partnership is focused on connecting predominantly African-American residents to the regional economy through a variety of activities. In Cleveland, the Greater University Circle Community Wealth Building Initiative is focused on leveraging the power of anchor institutions. And, in the Twin Cities, the Corridors of Opportunity effort “seeks to build and develop a world-class regional transit system that advances economic development and ensures people of all incomes and backgrounds share in resulting opportunities”. The impetus behind the effort comes from Living Cities’ stated belief that “unprecedented collaboration among the nonprofit, philanthropic, private, and public sectors is critical to any success in improving America’s cities. For too long, efforts have been siloed within sectors and issue areas”. Through this initiative, Living Cities and its members are deploying a total of \$85 million in grants, flexible debt, and commercial debt. Participants from each of the cities also engage in a range of activities from one-on-one meetings, site visits, online collaboration tools, and peer exchanges across sites that Living Cities calls “Learning Communities.”

***Regional Agency “Muffin Meetings”
San Francisco Bay Area, Calif.***

In the Bay Area, the Great Communities Collaborative (GCC) Initiative Office, housed at the San Francisco Foundation, convenes monthly “Muffin Meetings,” bringing together regional agency staff from the Metropolitan Transportation Commission (MTC), the Association of Bay Area Governments (ABAG), the Bay Air Quality Management District, and the Joint Policy Committee along with regional nonprofit advocacy organizations. Ongoing for the last three years, these meetings have helped influence regional outcomes and helped focus advocacy and educational efforts of the GCC and other partners to improve the regional policy environment in support of equitable TOD implementation.

Enhance Public Sector Capacity and Spirit of Innovation

While it may seem like the public sector should have the resources, capacity, and focus needed to support equitable TOD, the reality is that there are limited resources in the public sector to engage in inclusive and inter-disciplinary planning. Particularly in today’s resource constrained and understaffed public sector environment, it can be a challenge for public sector leaders to consider deploying innovative

strategies to support TOD given many are barely able to deliver on the basic day-to-day functions of their position. And, as noted above, many public sector leaders understand the need to consider equitable TOD objectives but do not see the critical path towards delivering those outcomes. Funder resources may be needed to engage in vision-setting efforts with diverse stakeholders, finance and deploy innovative tools, or enlist the support of technical experts where appropriate.

**Mile High Transit-Oriented Development Fund
Denver, Colo.**

The \$15 million Mile High Transit-Oriented Development Fund was developed with partner investors including public agencies (City of Denver, Colorado Housing and Finance Authority), CDFIs (Enterprise Community Loan Fund), banks, and private funders including the MacArthur Foundation and Rose Community Foundation. The Urban Land Conservancy—the nonprofit organization charged with managing and administering the fund—acquires properties near transit for development of transit oriented affordable housing.

**Preserving Green and Affordable Housing near Transit
Los Angeles, Calif.**

Over the last three years, the MacArthur Foundation has been working with the City of Los Angeles Housing Department (LAHD) and a handful of other cities to expand their capacity to support affordable housing preservation and green retrofit activities. This initiative has enabled LAHD to expand its internal capabilities to incorporate sustainability and preservation into existing programs and to better track the status of vulnerable and at-risk affordable housing units. Such efforts have moved the LAHD towards more proactive initiatives to preserve affordable housing and retrofit existing housing stock with energy efficient improvements. The regional rail network scheduled to double in size over the next 10 to 40 years; LAHD has also begun to study the intersection of at-risk housing and transit investments through this initiative.

Make the Case and Provide Political Cover

In communities where transit-oriented development and smart growth can be hot button issues, public sector leaders, particularly elected officials, need the cover provided by advocates, funders, the business community, and others to advance more innovative and transformational policies.

Funders can support research and outreach efforts to make the case for TOD supportive policies and investments. Articulating this case with local data is a powerful way to educate different stakeholders about the local impact of equitable TOD strategies. Valuable and influential data might include: information about the higher transit use of low-income households that could result in “farebox recovery” to transit agencies, the ability of TOD to support “affordable living” by helping low-income households reduce their transportation costs, and quantifying job benefits that transit-dependent workers can access.

Some sample “making the case” documents include:

- [The Case for Mixed-Income TOD in the Denver Region](#) (*Enterprise Community Partners, Inc.*)
- [Transit-Oriented for All: The Case of Mixed-Income Transit-Oriented Communities in the Bay Area](#) (*Great Communities Collaborative*)
- [Reinvesting in Pittsburgh’s Neighborhoods: The Case for Transit-Oriented Development](#) (*Pittsburgh Community Reinvestment Group, with funding from Surdna Foundation*)
- [Baton Rouge/New Orleans: One Great Region; Connected and Ready to](#)

Compete: Getting from Here to There

(*Center for Planning Excellence, Ford Foundation, Surdna Foundation, Greater New Orleans Foundation*)

Advocacy to Leverage Public Sector Investment

In many regions, philanthropy has supported organizing and outreach efforts by the advocacy community to encourage increased public sector support for TOD and ETOD. Such efforts have paid off in many ways; when states or metropolitan planning organizations are supportive of TOD, their involvement can be game changing.

For example, in Connecticut, the One Region Funders’ Group supported several advocacy groups over a period of years to urge state leaders to create a pool of TOD planning dollars for municipalities. It took several more years, and new gubernatorial leadership, to get \$5 million in planning funds released. Planning and transit investment in cities and downtowns is now strongly promoted by Governor Dannel Malloy. The TOD planning dollars have generated significant momentum for TOD in southern Connecticut, which would not exist without the state’s involvement.

In California, the state’s pioneering legislation known as the Sustainable Communities and Climate Protection Act, or SB 375, mandates that regions must prepare integrated transportation and land use plans to reduce greenhouse gas emissions by reducing sprawl and helping people drive less. These regional plans are called Sustainable Communities Strategies (SCSs). This innovative legislation is catalyzing a transformation in regional planning in the state, and has led to much greater public sector support for transit, active transportation

like walking and biking, and transit-oriented development. The state of California has also created an innovative cabinet level committee called the Strategic Growth Council, which coordinates the activities of five state agencies to promote sustainability, economic prosperity, and quality of life for all Californians. The Council awards grants to support the planning and development of sustainable communities in California and to help meet the state's climate change goals. This year, the Council awarded more than \$45 million in grants to 93 cities, counties, and regional agencies. Many of the grants supported TOD plans, infill development plans, climate action plans, and other planning efforts aimed at reducing greenhouse gases. A large portion of the grants were designed to benefit low-income communities. In addition, ten of these grants went to metropolitan planning organizations to support their efforts to implement SB 375.

Metropolitan planning organizations (MPOs) are the federally designated entities responsible for coordinating regional transportation plans and investments in urbanized areas with a population greater than 50,000. Depending on their governance model and political sway, MPOs can also be great allies in support of TOD by allocating transportation dollars to TOD supportive projects and by leveraging greater support from local jurisdictions through allocation criteria.

In 2011, after several years of education and outreach by funders and advocates in the Great Communities Collaborative (remember the muffin meetings?), the San Francisco Bay Area MPO and the Metropolitan Transportation Commission (MTC) allocated \$10 million to the region's \$50 million transit-oriented

affordable housing (TOAH) fund. This action marked a new role for MPOs by explicitly acknowledging the need to build housing near transit as a way to reduce the amount of commuting in the region caused by the region's jobs-housing imbalance and lack of affordable housing. In 2012, as part of its efforts to implement SB 375, the MTC approved \$320 million over four years to reward local governments that accept more density, to promote transportation investments in priority development areas (many of which are served by transit), and to promote open space preservation in priority conservation areas.

Unfortunately, more often than not, states and MPOs do not function as key champions of TOD. And in fact many state policies (or lack thereof) can function as barriers to TOD, such as not allowing for tax increment financing or inclusionary zoning, setting low-income housing tax credit allocation criteria without a transit focus, not allowing localities to tax themselves for transit, and allocating all or nearly all state transportation funds to highways. There is huge opportunity for philanthropy to help even the playing field by supporting efforts to change the rules of the game.

Smart Growth California

Smart Growth California is a network of foundations, founded in 2009 by the Funders' Network for Smart Growth and Livable Communities and The San Francisco Foundation, to support funders working to advance smart growth and build healthy, equitable, and sustainable communities throughout California. In 2010, Smart Growth California launched a statewide campaign and created a pooled grant fund as a way to focus and align philanthropic investments to achieve a common goal. The goal of the campaign is to reform transportation and land use in California in order to reduce greenhouse gas emissions, and to advance social equity, public health, environmental sustainability, and economic growth. The primary purpose of the campaign is to ensure that SB 375 is implemented effectively at state and regional levels.

This year, one of the network's top priorities was to support the implementation of SB 375 in the Southern California region by supporting efforts to secure a strong Sustainable Communities Strategy (SCS). Through the pooled grant fund and aligned grants, funders invested in research, technical assistance, advocacy, media outreach, and a sophisticated outreach effort in the region. In addition, one of the foundations conducted its own outreach to regional decisionmakers and arranged for its president to testify at a pivotal meeting of the Southern California Association of Governments (SCAG). SCAG is the nation's largest MPO, representing six counties, 191 cities and more than 18 million residents. The grantees did an excellent job building working relationships with the staff of SCAG and with the SCAG regional council members. Creating the plan also required effective leadership and effort by local elected officials, agency staff, and regional council members.

In April 2012, SCAG, which represents about half of California's population, voted unanimously to adopt a ground-breaking Sustainable Communities Strategy. The new SCS is significant both because of its scope and because of the far reaching changes that it is proposing for the region. Under the new plan, the region is projected to reduce per-capita GHG emissions by 8 percent (2020) and 16 percent (2035), as compared to 2005 levels. In addition, the new plan: allocates nearly half of the region's total transportation revenues to public transportation (\$246 billion); increases funding for bicycle and pedestrian facilities by over 350 percent (\$1.8 billion to \$6.7 billion); locates new housing near transit and expands transit into existing communities, so that by 2035, 87 percent of all housing and 82 percent of all jobs will be within one half mile of transit; and seeks to shift predominant development patterns from large-lot suburban homes to mixed-use, infill, and multi-family housing. By promoting more compact land use patterns, the plan would save 400 square miles of open space from development. In addition, the plan projects a \$3,000 savings per family per year by 2035 due to lower auto, fuel, water, and energy costs and would reduce pollution-caused respiratory problems by 24 percent, resulting in \$1.5 billion per year savings in health care costs.

III. CONCLUSION

While transit may not equal transit-oriented development, it is a prerequisite. Transit investment can catalyze community and economic development thereby supporting a range of environmental, social and economic goals. Reconnecting America's research shows

that regions of all sizes, and all political persuasions, are actively planning for and constructing fixed-guideway transit that will help them meet goals such as congestion relief, improved air quality, and economic growth and competitiveness. Many cities and regions are

demonstrating an understanding of the connection between transit and transit-oriented development and are actively supporting TOD through the passage of supportive local, regional, and state policy as well as through a range of investments. In many cases, philanthropy has been funding the research, education, outreach, and policy development that have set the stage for this work. Yet, while this paper notes substantial progress, much work still needs to be done to ensure that low- and moderate-income people benefit from regional transit investments and the associated community and economic development opportunities they catalyze.

As discussed in this paper, philanthropy is playing a key and increasingly sophisticated role in helping a range of local and regional stakeholders arrive at an understanding of how equitable transit-oriented development implementation is the linchpin for achieving broader regional (and state) goals such as reducing greenhouse gas emissions, bolstering regional economic competitiveness and jobs, and improving health outcomes.

APPENDIX A: SCAN OF “TOD MOMENTUM” IN REGIONS ACROSS THE COUNTRY

For this paper, Reconnecting America conducted a scan of regions across the United States with momentum for supporting transit-oriented development.

To ensure that the list of regions was as complete as possible, Reconnecting America first identified the universe of regions meeting a minimum standard of planning for “fixed-guideway” transit, defined as bus or rail investments running in their own dedicated lane or on a fixed track. Because fixed-guideway transit investments are shown to have a greater likelihood to affect land use and development patterns, and focus investments from the public and private sector,

Reconnecting America limited its analysis to these places. In 2011, Reconnecting America completed a scan of transit investments underway in every region in the country on behalf of the Rockefeller Foundation, in a report called *The Transit Space Race*. This report was the basis for initially selecting regions.

Regions were classified into five unique categories of transit planning, ranging from the most accelerated transit expansions in “Major Funding,” to regions with plans on the books for fixed-guideway transit but no identified source of funding yet, to regions with no planning at all. These categories are described below.

Fixed Guideway Transit Planning	Definition
Major Funding	Plans for expansion with funding to expand
Major Planning	Plans for expansion but seeking funding
Minor Extensions	Some extensions to existing systems
Starter Planning/Construction	Initial line planning and construction
General Planning	General transit planning without funding
None	No major fixed guideway planning

Based on this analysis, Reconnecting America found that **nearly half of the 101 largest metros have, at a minimum, started planning construction of one line** (Starter Planning/Construction). **More than 40 regions have existing systems or substantial**

local funding to support additional transit lines.

Of this list, Reconnecting America then evaluated the extent to which regions had TOD momentum. Reconnecting America evaluated a

number of factors to determine TOD momentum, including the following:

- Presence of TOD Policies, Plans, or Implementation Mechanisms at the Local, State, or Regional Scale (if Local, for major core city or cities)
- Coordination across disciplines
- Presence of nonprofit or other groups advocating for smart growth, sustainability, TOD, or transit expansion
- Presence of funders with programs supporting smart growth, sustainability, TOD, or transit expansion
- Major political, business, governmental, or nonprofit leadership supporting smart growth, sustainability, TOD, or transit expansion
- Innovative policy, implementation, or financing mechanisms supporting TOD
- Leadership, policies, or financing mechanisms supporting inclusion of low- and moderate-income households in TOD.

Reconnecting America rated each region on a scale of 0 to 3 for each of the above factors, based on the scoring system described below. These scores were then weighed against one another to determine the final place each region held on the TOD continuum. The presence of existing leadership pushing for TOD (either public, nonprofit, or philanthropic) was given particular weight as this indicated current interest in TOD, whether places had a plan or not.

- A score of 0 indicated that the region has limited general transit planning, or planning without funding. Regions with fixed guideway transit could also score a

0 if they showed no interest in integrating transportation and land use planning in a significant way at either the regional or local scale. For example, Madison, Wisc., and Colorado Springs, Colo., are planning their first lines but score a 0 on TOD momentum as they have no leadership, major initiatives, or policies supporting integration of transit with land use change.

- A score of 1 indicated that there is some interest in integrating transportation and land use planning in support of TOD principles. However, these regions lack the policies or tools needed to actually implement TOD in a major way and leadership in support of TOD is limited.
- A score of 2 indicated that there is interest in integrating transportation and land use planning in support of TOD principles, and some planning, policy, implementation efforts, or leadership exists.
- A score of 3 indicated that there is strong interest in integrating transportation, land use, and possibly equity, housing, workforce development, and/or health issues in support of TOD principles, and collaborative leaders are working towards advancing policy, planning, implementation, or financing in support of TOD. Regions with a score of 3 may support equitable TOD, but not all high scoring regions do. Reconnecting America determined that many regions that are not as advanced in basic TOD momentum nonetheless have a strong focus on equitable TOD, while other regions that are strongly advanced in

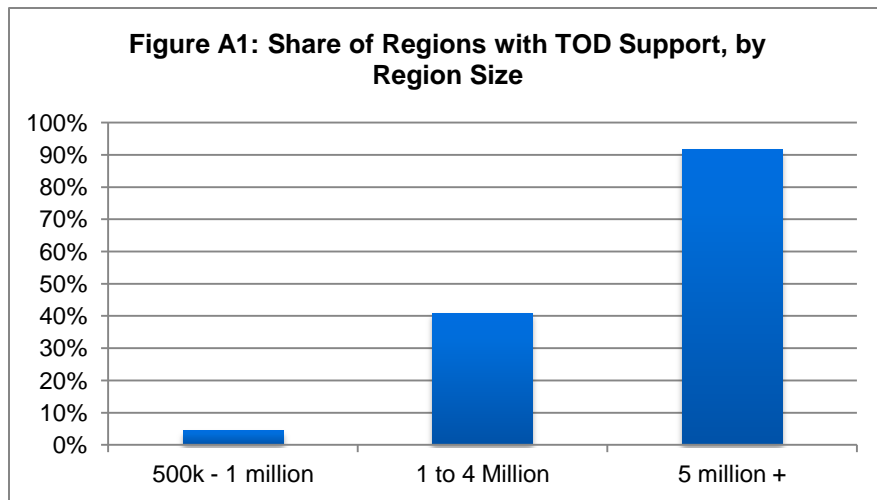
TOD implementation do not focus on equitable TOD. Equitable TOD should be considered across the full continuum and not just as an end goal once all other TOD planning and implementation is in place.

Following are some of the general findings from this national scan:

- 31 regions score at least a 2 or 3 on the TOD momentum ranking and show some sort of local champion, initiative, or policy in support or development.
- Only one region of 26 in “General Planning”—Fresno—has support for TOD. However, Fresno’s Bus Rapid Transit line was recommended to enter the next stage of FTA funding in 2012, which will soon shift this region to starter planning.
- Five of 15 regions in “Starter Planning” have support for TOD: Detroit, Tucson, Hartford, Provo, and

Honolulu. These regions are just beginning to plan their first modern fixed-guideway lines.

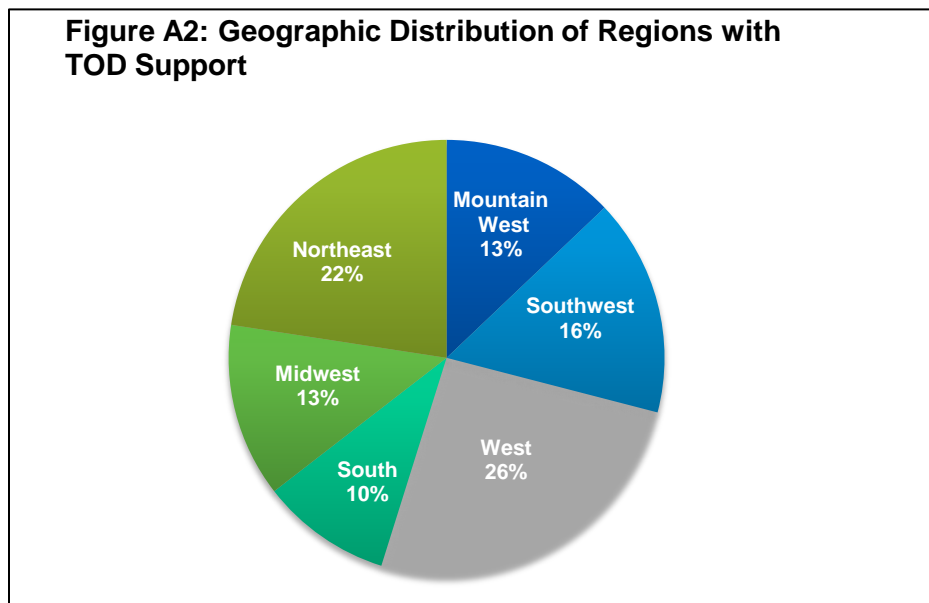
- Only one region with a population under 500,000 has substantial support for TOD: Eugene, Ore.
- Larger regions are more likely to have support for TOD
- *More than half of regions with support for TOD are in the Western U.S.* Regions that were experiencing rapid population growth before the recession have taken a greater interest in TOD generally, often times as a growth management strategy. As a result, much of the national focus on TOD implementation has been on places where TOD generates additional market strength. However, many regions with slower growing populations or economies also struggle to implement TOD, and these places require a very different set of implementation tools.



Key Actors

Reconnecting America and the Funders' Network further completed a scan of key actors taking the lead in championing TOD issues, evaluating the role of five unique types of actors:

- Transportation-related government agencies (MPO's, transit agencies, states)
 - Land use related government agencies (local governments, states (in unique situations))
 - Business Interests (developers, chambers of commerce, business coalitions)
 - Labor (unions)
 - Advocacy (nonprofit coalitions, housing advocates, other nonprofit advocates)
- Funders



APPENDIX B: STRATEGIES FOR IMPLEMENTATION OF EQUITABLE TOD

Equitable TOD considers the impact of transit investments on low-income households and workers. Equitable TOD actions generally fall into three categories:

- Production and preservation of affordable housing;
- Investment in community amenities such as fresh food, workforce development, education quality; and
- Connecting bus, pedestrian, and bicycle facilities.

It is not standard practice nationally to proactively consider low-income households in decisions about transit investments or infrastructure facilities. Further, investments to ensure low-income neighborhoods provide the amenities needed to enhance economic opportunity and increase transportation choices—such as quality schools, fresh food access, or targeted workforce development programs—can be challenging to finance and implement. Therefore, the table below provides some suggestions on how different places have implemented equitable TOD.

Figure B1: Strategies Addressing Equity Dimensions of TOD

<i>APPROACH</i>	<i>POSSIBLE ACTORS</i>	<i>EXAMPLE</i>
AFFORDABLE HOUSING PRODUCTION		
Reserve land near transit for affordable housing	CDFIs, cities, transit agencies (through joint development), MPOs, developers, states	Bay Area – TOAH Fund
Focus affordable housing funding policies on transit	States	LIHTC allocation (many); California Prop 1c funds
Institute inclusionary zoning policy	Cities, advocates, states	Montgomery County, MD
Negotiate development agreements for major projects to include affordable housing	Cities, advocates	Portland Development Commission – Pearl District
Maximize transit orientation of public or subsidized housing	Housing Authorities, affordable housing developers, states	Denver Housing Authority – 10 th & Osage Station
AFFORDABLE HOUSING PRESERVATION		
Identify station areas potentially vulnerable to displacement of low income housing	MPO’s, cities, advocacy groups, funders	Central Corridor – Twin Cities
Preserve existing affordable housing stock	CDFIs, housing departments, cities, MPOs	Bay Area – TOAH Fund
Highlight potential impact of new transit investment on low income communities	Cities, housing departments, advocates, funders	Los Angeles Housing Department TOD Preservation Study

<i>APPROACH</i>	<i>POSSIBLE ACTORS</i>	<i>EXAMPLE</i>
COMMUNITY SERVICES AND FACILITIES		
Identify gaps in community amenities and ways to address them	Advocates, cities, CDFIs	Healthy King County, Seattle WA
Integrate community facilities into new development near transit	Cities, developers, CDFIs	Cleveland Health Corridor, Cleveland OH
Integrate community facilities into transit districts	Cities, developers, CDFIs, advocates, school districts	Portland Metro (MPO) – TOD Program
Conduct health impact assessments on transit corridors	Cities, transit agencies, health departments, advocates	Los Angeles County Public Health Department – Blue Line corridor analysis with CDC grant
Link workforce development and job training programs to transit	Workforce investment boards, advocates, MPOs, states	Baltimore Red Line Community Compact
ACCESS IMPROVEMENTS		
Ensure new transit lines are best serving low income communities	Transit agencies, MPOs, cities, advocates	Baltimore Red Line Community Compact
Retrofit existing transit lines to better serve low income communities	Transit agencies, MPOs, cities, advocates	Fairmont Corridor Collaborative – Boston
Focus limited pedestrian and bicycle enhancement funding in low or moderate income station areas	Cities, MPOs, transit agencies, advocates	NA
Focus Safe Routes to Schools funding in low or moderate income station areas	Cities, advocates	NA