

Appendix B
Select TOD Financing
Tools and Programs

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Select TOD Financing Tools and Programs

Table B-1
Federal Transportation and Planning Grant Programs

TIGER Grants	The Transportation Investment Generating Economic Recovery Program (TIGER) provides funding for multi-modal transportation projects. ¹
New Starts/Small Starts	Provides capital assistance to fund construction of new fixed guideway systems. ²
Transportation, Community, and System Preservation Program	The Federal Highway Administration allocates funding for planning and analysis of the relationship between transportation and communities. ³
Bicycle & Pedestrian Program	The Federal Highway Administration provides funding for bicycle and pedestrian enhancements and facilities. ⁴
Sustainable Communities Regional Planning Grants	The U.S. Department of Housing and Urban Development (HUD) funds multi-jurisdictional planning efforts to foster better housing, land use, transportation, and infrastructure at the regional scale. ⁵
Smart Growth Assistance Program	Environmental Protection Agency (EPA) grants community technical assistance to implement smart growth policies and codes. ⁶
Urbanized Area Formula Program	Federal Transit Administration administers grants for planning, engineering, and evaluating transit projects. ⁷
Metropolitan & Statewide Planning Formula Grant Programs	Jointly funded by The Federal Highway Administration and The Federal Transit Administration in providing grants for comprehensive planning for transportation investments. ⁸
Congestion Mitigation and Air Quality Program (CMAQ)	The Federal Highway Administration supports projects and programs that will improve air quality and relieve congestion. ⁹

Table B-2
Statewide TOD Funding Programs

Commercial Area Transit Node Housing Program (Massachusetts)	Sponsored by the Massachusetts Department of Housing and Community Development, this program provides financial assistance to rental housing projects located within a quarter-mile of an existing or proposed transit station. ¹⁰
MassWorks TOD Infrastructure and Housing Support Program (Massachusetts)	Sponsored by the Massachusetts Department of Housing and Community Development, this program provides grants for pedestrian and bicycle, housing, and parking for mixed use projects that are located within a quarter-mile from a transit station or ferry terminal. ¹¹
Chapter 40R Housing and Smart Growth Incentives (Massachusetts)	This state program allocates direct funding to cities that create zoning districts to specifically encourage compact housing near transit, requiring 20% be used for affordable housing. ¹²
Chapter 40 S Smart Growth Cost Reimbursement (Massachusetts)	Supplementary to Chapter 40R to ensure receiving municipalities can accommodate increases in growth and density that occur from the Chapter 40R program. ¹³
TOD Tax Exemption (Oregon)	Allows eligible projects to be exempt from residential property taxation for up to 10 years, The cities of Portland and Gresham have utilized this program. ¹⁴
Vertical Housing Program (Oregon)	Encourages mixed-use commercial/residential developments in areas designated by communities through a partial property tax exemption, maximum 80% exemption over 10 years. ¹⁵
Community Based Transportation Planning Grant Program (California)	Encourages local governments to make better connections between land use and transportation through planning grant assistance. ¹⁶

TOD Housing Program (California)	The California Department of Transportation sponsors a program that encourages TOD through available grants for the construction of mixed-income housing projects close to transit. The program also provides low-interest mortgages for gap financing for rental housing developments for 50 units or more, as well as mortgage assistance for the homeownership. The program criterion requires housing projects to be located within ½ mile of public transit, and 15% of the units must be affordable. ¹⁷
Downtown Rebound Planning Grant Program (California)	Department of Housing and Community Development disperse planning grants to local governments for adaptive reuse, or conversion of commercial and industrial space into residential units ¹⁸
Transit Village Grant Program (New Jersey)	Provides funding for bicycle infrastructure, transit station improvements, traffic calming construction, and way-finding that are located within a half mile of a transit station ¹⁹
Smart Moves for Business Program (New Jersey)	NJDOT provides incentives for participating companies to set up increased commuter options in exchange for tax credits and program funding. ²⁰
Transportation/Land Use Connections Program (Washington DC)	The Metropolitan Washington Council of Governments created a program that disburses planning and capital grants that reduce congestion. ²¹
Community Benefit Units (Washington DC)	Housing units owned by nonprofits or individuals but governed by county agreements that guarantee the units remains affordable up to 30 years. ²²
Metro Mayors Caucus TOD Fund (Colorado)	\$50 million dollar partnership between the Metro Mayors Caucus and the Colorado Housing and Finance Authority to assist funding select affordable multi-family housing projects along transit corridors. The fund includes \$53 million in Private Activity Bonds. ²³

Table B-3
Metropolitan Area TOD Funding Programs

TOD Implementation Program (Portland)	Uses a combination of local and federal transportation funds to spur the construction of TOD. The level of involvement in 12 transit-oriented developments has ranged from \$50,000 to \$2 million. The primary use of funds has been for site acquisition and transit-oriented development easements. ²⁴
Metro TOD Program (Portland)	Provides incentives such as planning grants and technical assistance to achieve desired land development conditions for TOD. The program works directly with developers to assist in overcoming common obstacles associated with implementing TOD by providing direct financial assistance to ensure TOD projects “pencil out”. ²⁵
TOD Capital Improvement Grant (Portland)	Funding for real-estate enhancements in Metro-designated TOD station areas. Some of the major funding sources for this grant are derived from The Surface Transportation Program and The Congestion Mitigation & Air Quality Improvement funds. ²⁶
The Metropolitan Transportation Improvement Program (Portland)	Funds the TOD Program that has a biannual budget of 2.5 million dollars. Those funds are primarily used for site acquisition and have become valuable bargaining tools when negotiating project terms with developers. ²⁷
City Bond Financing (Charlotte)	The Charlotte Housing Authority provides bond financing for multi-family housing development projects. ²⁸
Transit Station Area Joint Development (Charlotte)	Provides partnership opportunities for financing infrastructure, affordable housing, and land acquisitions. ²⁹
Sustainable Development Funding Program (Dallas)	Funded by the North Central Texas Council of Governments, the program was created to foster public/private partnerships in developing mixed-use land uses, rail access, and address regional air quality. ³⁰
Financial Incentives for Preferred Development Types (Ft. Worth)	Ft. Worth targeted specific preferred development types, including TODs and urban villages, to be eligible for various types of financial incentives such as tax abatements, tax-increment financing, public improvement districts, private activity bonds, land acquisition assistance, mixed-use zoning assistance, and developer approval assistance. ³¹
Tax Increment Reinvestment Zone (Carrollton, TX)	Funds public infrastructure improvements, specifically for TOD projects. ³²
TOD Fund (Denver)	catalyzed by a \$2.2 million MacArthur Foundation grant, partnerships emerged between the City of Denver, The Urban Land Conservancy, and Enterprise Community Partners to foster affordable rental TOD housing by strategic land acquisition purchases along transit corridors before development speculation increases land costs. ³³

Station Area & Urban Center Planning Funds (Denver)	The Denver Regional Council of Governments (DRCOG) is aiming to locate 50 percent of new housing units within urban centers as one of their regional sustainability goals. DRCOG has committed \$3.5 million in funding to “assist local governments in developing station areas and urban centers that further Metro Vision goals while meeting the needs of local communities”. ³⁴
Denver Livability Partnership (Denver)	Grants used to provide affordable housing, and improve access to multi-modal connectivity along Denver’s transit corridors. ³⁵
Metro TOD Planning Grants (Los Angeles)	Funding to foster transit-supportive language to be adopted into general plans, zoning, and ordinances. ³⁶
Transportation for Livable Communities (TLC) Program (Bay Area)	Allocates funding of approximately \$27 million a year to assist in transit adjacent projects, specifically infill-oriented projects. The TLC program primarily disperses capital grants, planning grants, and the Housing Incentive Program (HIP). ³⁷
The Housing Incentive Program (Bay Area)	The City/County Association of Governments of San Mateo County offers grants of \$2000 for every bedroom within a 1/3 mile of transit and a minimum density of 40 DU per acre to city and county governments in the Bay Area. Funds are derived from the Surface Transportation Program (STP) and the Congestion Mitigation and Air Quality Improvement Program (CMAQ). ³⁸
Metropolitan Transportation Commission (MTC) Resolution 3434 (Bay Area)	Provided \$11.8 billion in funding for capital infrastructure, design and planning work, and land acquisition through approved corridor thresholds, specifically for transit extension projects. ³⁹
FOCUS Station Area and Land Use Planning Program (Bay Area)	Provides capital-funding grants to Bay Area local governments that identify Priority Development Areas through the FOCUS growth management strategy. ⁴⁰

Endnotes

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