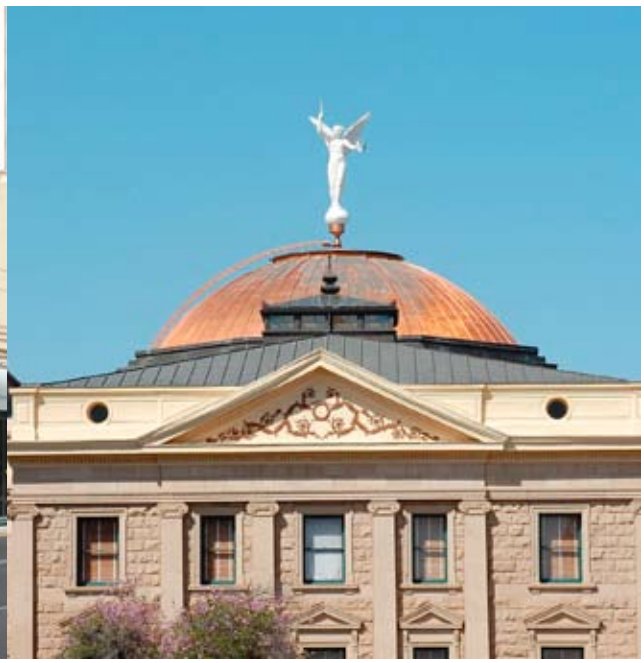
Strategic Package of Tools

Transit Oriented Development in Metropolitan Phoenix



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Strategic Package of Tools to Promote Transit-Oriented Development in Metropolitan Phoenix

A successful transit system needs more than a working train line. It requires coordination among municipalities, transit agencies, developers, and property owners to ensure that the system moves people to where they want to go, and that automobile traffic and emissions are reduced. Planning for transit with land uses that support ridership and provide a destination is paramount to making the system viable. Simply put, the Center for Transit-Oriented Development defines transit-oriented development (TOD) as higher-density mixed-use development within walking distance – or a half mile – of transit stations. In metropolitan Phoenix, Proposition 207 provides an additional factor for municipalities to consider while encouraging TOD. In fact, TOD is most successful when a set of tools, mindful of local concerns about property values, is packaged to encourage property owners and developers to develop parcels in a way that embraces pedestrians and mixes uses (residential, commercial, institutional, etc.) to create station areas, neighborhoods, and communities that are rich with amenities.

This document summarizes a wide range of tools, both regulatory and non-regulatory, that could be offered to the development community in order to help create and enhance vibrant, healthy communities that support the light-rail transit corridor. The information is described in the following manner:

1. TOD Policy Tool
2. Brief Description of the Tool and Its Purpose
3. Conditions Needed for Applicability
4. Conditions Affecting Expected Value of Tool
5. Viability of the Tool in the Phoenix Region
6. Examples

Not all of these tools can be applied at every station area. Those decisions will be up to the local jurisdiction, based on current and future planning, a determination of the benefits that could be gained from these tools, and consideration of their impacts related to Proposition 207. Different stations and variable contexts will inspire a mixture of tools to be used. This document is to be supplemented by 3 other documents, all to build a case for encouraging TOD with effective and prosperous results:

- Transit-Oriented Development in Phoenix and Mesa: Developing a Policy Toolbox for the Post-Proposition 207 Environment
- Encouraging Transit-Oriented Development in Metropolitan Phoenix: Case Studies that Work
- Impact of TOD and Smart Growth Incentives on Development in Phoenix

Introduction

The TOD tools presented in the table on the following pages are organized in two ways. First, the tools are grouped according to their primary function in defining and supporting the implementation of TOD in the Phoenix region. These functional categories are important for understanding the range of efforts that need to be undertaken by the regional and local agencies and private interests to achieve successful TOD.

The functional categories for the TOD tools are:

- **Strategic Planning (SP):** Transit station area planning, unlike other kinds of area plans, must take into account how the transit station connects to other locations in the entire transit system and the region. Important considerations for assessing the opportunity offered by such connectivity include such factors as:
    - Will this station be a destination on the transit line, or will riders more likely originate their trip from this location?
    - What mix of uses and use intensity are likely to be appropriate given the station's location and the existing surrounding development pattern?
    - Is there much opportunity for new development around the station, or is most of the impact from improved connectivity likely to be absorbed by existing buildings?
    - What kind of market momentum already exists in the station area, and is it likely to be viable for new TOD in the near to mid-term, or is new development several years out?

  Depending on these local conditions, cities can prioritize how to direct resources for targeted and area-specific planning efforts and for additional investment in various implementation tools.

- **Local Visioning and Land Use Policy (LU):** These tools shape land use policies for the implementation of TOD, such as zoning, design guidelines, and parking requirements. Of the tools discussed here, they have the strongest relationship to Proposition 207 because they will lay out acceptable uses of land in station areas. To respect Proposition 207, the tools described here were selected because they can be used in ways that mitigate the issue of property value diminution. These tools provide for flexibility and can help define public needs related to transportation and public health and safety. Many of the tools in this category have a secondary relationship to other functional categories in which these tools create the foundation for implementing other policies; particularly the "Prepare Station Area Plans and Market Studies" tool (LU-1), which would establish the vision and implementation framework for each station area.

- **Development Assistance (DA):** These tools are focused on directly and indirectly encouraging private investment in TOD by investing public funds, reducing or removing fees or taxes, and decreasing processing time for development proposals.

- **Place Making and Access (PM):** These tools focus on improving multi-modal access to the transit station and creating an environment that supports and encourages walking and bicycling in the station area. This is important not only to supporting

transit ridership, but to reducing demand for parking and driving in the station area for everyone, whether they have arrived by transit, car, or other means of transportation. These tools have a secondary relationship to land use policy and development assistance.

- **Land Assembly (LA):** Where there is weak market support for TOD, tools like re-zoning and area specific design guidelines will probably be insufficient to catalyze new development. In these areas, more direct actions may be required, like acquiring strategic parcels, assembling land that could be sold at a reduced price or held until market demand is stronger, or both. This land could be used to leverage higher density projects and encourage a greater mix of uses.

- **Programmatic and Institutional (PI):** Public agencies and community-based organizations play a critical role in supporting TOD implementation through their programs and institutional relationships. Many of these tools have a secondary relationship to land assembly and development assistance tools.

The categories of tools are organized by priority, reflecting the general sequence in which the tools would be deployed:

- The first group of tools, "Planning & Visioning," establish the foundation for use of other tools and would be deployed starting with the Strategic Planning, followed by the station area plans. Each station area plan should include the basic elements of Tools LU 2A through LU 5C.
- Once the planning and visioning have been completed, the order in which the next group, Implementation, would be deployed will depend on conditions at each station area, as well as local resources as identified in the Station Area Plan. While the Strategic Planning tools should address all of the existing and proposed station areas, the implementation tools will not necessarily apply to or be equally effective in all settings. Decisions about implementation tools and priorities can only be addressed as part of a station area planning process.
- The third group of tools, On-going Programs, applies to ongoing programs and institutional arrangements that could be addressed in the station area planning process or as part of a city or regional planning initiative for TOD.

As part of the April 14-17, 2009, workshop, the EPA team asked stakeholders to confirm the viability of each tool, as described in a draft of this document. Viability is a measure of the ease and potential success of implementation. The matrix identifies the viability of each tool as "positive," "neutral," or "negative." These designations were determined by the EPA team prior to the workshop and confirmed by the local partners, based on the tool's relation to Proposition 207, public costs, and political will. Tools that are rated as "positive" are those that have the best chance of success based on the existing regulatory and development process. "Neutral" and "negative" viability designate tools that require some additional work to make local conditions appropriate to benefit from these strategies. The TOD policy tools provide a range of ideas that are suitable for the Phoenix region, as well as some ideas that could be considered in the future.

During the site visit, the team and the municipal staff discussed using education as a tool to promote TOD. An important component of any community development strategy, education helps stakeholders and the general public understand the process

and participate meaningfully, which increases the likelihood of success. In the Phoenix region, education about the tools is essential for public support. While this matrix does not list a tool called “Education,” the consensus of the stakeholders who participated in the team’s site visit was that a formal education process about these tools should be developed for a variety of audiences. Education activity should be coordinated at the staff level, with a focus on showing how each tool relates to stakeholder groups.

TOD Tools in the Phoenix Region: Summary Table

TOD POLICY TOOLS	TOOL PRIORITIES		
	Planning & Visioning	Implementation	Ongoing Programs
SP-1 Regional TOD Strategic Plan	POSITIVE		
SP-2 Citywide TOD Strategic Plan	POSITIVE		
LU-1 Prepare Station Area Plans and Market Studies	POSITIVE		
LU-2A, B & C Station Area Rezoning: Rezone Station Areas, Use Restrictions Based on Public Health and Safety and Transportation Impacts, and Optional Overlay Zone	POSITIVE OR NEGATIVE		
LU-3A & B Land Use Intensity Tools: Density Bonuses and FARs and Building Height Bonuses	POSITIVE		
LU-4A & B Land Use Standards Enhancement: Form-Based Codes and Design Guidelines	POSITIVE		
LU-5A, B & C Parking Tools: Revised Parking Standards, Shared Parking, and Parking Districts	POSITIVE		
DA-1 Fast Track Development Review		POSITIVE	
DA-2 Capital Funding for Infrastructure		POSITIVE	
DA-3 Tax Increment Financing	REQUIRES STATE LEGISLATION		
DA-4 Reduced Impact Fees in Station Areas	CURRENTLY INFEASIBLE		
PM-1 Streetscape and Pedestrian/Bike Improvements		POSITIVE	
PM-2 Façade and Site Frontage Improvement Program		NEUTRAL	
PM-3 Tax-Exempt Bonds		NEGATIVE	
PM-4 Tax Abatement	CURRENTLY INFEASIBLE		
LA-1 Joint Development Program		NEUTRAL	
LA-2 Land Acquisition Loan Funds		NEUTRAL	
LA-3 Funds for Buying Available Parcels in the Open Market		NEUTRAL	
PI-1 Business District Association or Business Improvement District			POSITIVE
PI-2 Marketing Plan			POSITIVE
PI-3 Livable Communities Program			NEUTRAL
PI-4 Community Development Corporation (CDC) Lead Efforts	CURRENTLY INFEASIBLE		
PI-5 Housing Trust Funds	CURRENTLY INFEASIBLE		

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STRATEGIC PLANNING TOOLS					
SP-1 Regional TOD Strategic Plan	Regional TOD Strategic Plans give cities and regional agencies, including the transit operator and metropolitan planning organization or council or governments an opportunity to consider all of the stations in the transit network and to evaluate what each will contribute in terms of ridership and the potential for future TOD. These plans should address: who lives or works in the station area and how population and/or employment has changed over time; current land use mix; future development opportunity; market strength; and potential for near-, mid-, or long-term development.	The regional agencies should work with the cities to define the general station area types, assign these types to specific areas, and set priorities for creating station area plans.	This type of planning helps to align the interests of the various actors necessary to implement effective TOD, including developing consensus about the expected pattern of development along various transit lines and the rate at which these areas are likely to build out.	**Overall Viability = Positive** Strategic planning is a catalytic tool that can set the course for development throughout the region. During the April 2009 workshop, non-profits rated regional strategic planning as the most viable tool, with strong support from other sectors. It was identified as the second most viable tool by all respondents. While stakeholder support is helpful, viability depends on elected officials and city staff to prioritize resources to enable implementation.	In 2009, the Baltimore region is worked on a strategic plan that will identify which stations should be the focus of near-term investment, what tools should be used to facilitate TOD, and what role various actors will play in implementing TOD. This planning process is being facilitated by a non-profit and includes: State of Maryland, Baltimore City, Baltimore County, Citizens Planning and Housing Association, and Baltimore Neighborhood Collaborative Funding for this process came from local and national foundations that are supporting TOD to help revitalize distressed neighborhoods and focus future growth around transit.
SP-2 Citywide TOD Strategic Plan	The objective of a Citywide TOD Strategic Plan is similar to that of the regional plan, but in this case a key activity	A staff person or people who are tasked with implementing TOD and who have the authority to convene and facilitate work with	Having the ongoing commitment to TOD implementation and the right staff resources aligned to facilitate this process is critical to the	**Overall Viability = Positive** Strategic planning at the city scale is a critical element of TOD	The city of Denver used a strategic planning process to prioritize investments and organize roles and responsibilities for

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	is to bring together all of the city departments that would be involved in implementing future station area plans to be sure that they understand their role in facilitating TOD. In addition, the city can conduct more intensive screening and prioritization to filter which station areas will be targeted for early action and which are more appropriate for future investment.	other staff across multiple departments should coordinate the strategic planning process.	long-term success of TOD.	implementation. During the workshop, attendees identified "citywide TOD Strategic Plan" as the most effective tool. Planning at the city scale can help Phoenix better understand its needs and direction.	implementing TOD across a variety of city departments. The plan helped the city get organized and develop a work program for station area planning and some of the other supporting efforts, such as zoning, parking, and affordable housing. The city of Charlotte, North Carolina, has two staff people dedicated to facilitating TOD, even though these people are not responsible for the station area planning. Charlotte considers these staff positions critical to the success it has had with TOD, which includes several thousand units built or under construction near the newly opened South (Blue) line.

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LAND USE POLICY TOOLS					
LU-1 Prepare Station Area Plans and Market Studies	Station area plans establish an overall vision for the entire transit district, indicating the type of desired development, appropriate mix of land uses, and likely public amenities that will be provided by both the public sector and individual development projects. The station area planning needs to take into consideration the function of the station and surrounding area as part of the regional transit network (e.g., as a destination or origin station). [1] This vision allows property owners and developers to understand what uses and building types may be allowable for their properties and	The region will need a dedicated source of funding for these station area planning efforts. Many regions use flexible transportation funds to pay for transit station area planning. The region would have to make a commitment to this. The potential for this funding approach could be determined through discussions with Maricopa Association of Governments and cities in the region during the preparation of the Regional TOD Strategic Plan (Tool SP-1).	The planning process should engage area residents, particularly in defining the vision, as well as developers, property owners, business owners, and advocacy groups who have a stake in the area. This outreach process has two functions: to get input about the area's future, and to educate the participants about the area's potential. Without this education, people may be unaware of the potential that exists and how to achieve the vision.	**Overall Viability = Positive** These tools have been developed by city staff and funded, yet these initiatives are targeted to be eliminated due to budget constraints. Therefore, to make this tool viable, the region will have to find an alternative source of funding, such as regional transportation funds.	Phoenix, Mesa, and Tempe all have funded these activities. Westside Station Area Planning (Portland, OR)[2] Bay Area (CA) (San Leandro, South Hayward BART, Glen Park, San Francisco)[3] City of Denver: Station Typologies, Station Area Plans (Draft Alameda Station Area Plan and Sheridan Station Area Plan)[4] Denver Region[5]

[1] Reconnecting America and the Center for Transit-Oriented Development *Station Area Planning: How to Make Great Transit-Oriented Places*. February 2008, http://www.reconnectingamerica.org/public/display_asset/tod202?docid=301.
[2] TOD Advocate. TOD Case Study, Portland, OR. http://www.todadvocate.com/pdxcasestudy.htm. Accessed February 23, 2009.
[3] Reconnecting America. http://www.mtc.ca.gov/planning/smart_growth/tod/TOD_Study_Nov_draft.pdf. Accessed April 15, 2009.
[4] City of Denver. TOD in Denver, http://www.denvergov.org/TOD/HomePage/tabid/395229/Default.aspx. March 23., 2009.
[5] Denver Regional Council of Government. Transit-Oriented Development, http://www.drcog.org/index.cfm?page=TransitOrientedDevelopment. Accessed February 23, 2009.

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	provides certainty about what other kinds of development will occur in the area. Providing such certainty allows developers to build towards a collective vision instead of having each project responsible for its own amenities. Conducting such a planning exercise in conjunction with real estate market analysis grounds the vision in reality and allows implementation to build off of existing or emerging market momentum.				
LU-2A Station Area Rezoning: Rezone Station Areas	Create new zoning in the station areas that restricts some uses and allows new ones that prioritize activities that generate ridership. This may be done through creation of new zoning designations or	Station area rezoning requires a clear rationale for excluding uses. Criteria must be based on transit ridership potential and level of vehicle traffic generated in critical pedestrian zones around a station (e.g., within ¼ mile of the station or near critical	Existing uses that are not supportive of ridership. Uses that meet TOD objectives from a design standpoint, but do little to generate ridership. Market demand for the types, intensities, and amount of land uses provided in the new zoning.	**Overall Viability = Negative or Positive** Rezoning could potentially be problematic under Proposition 207 if the restricted use (e.g., gas station or storage facilities) produces more income for the landowner than	Denver[6] Salt Lake City: TC-75 Transit Oriented District and MU Mixed Use District for example.[7] Minneapolis, MN[8]

[6] City of Denver. TOD Economic Analysis and Market Study, http://denvergov.org/HomePage/EconomicDevelopmentandTOD/tabid/425422/Default.aspx. Accessed February 23, 2009.
[7] For the zoning ordinance language go to the Salt Lake City [web site at http://www.slcgov.com/ced/planning/pages/zoningordinance.htm and search for "transit oriented development." Zoning maps are also available, such as the Central Community map at http://www.slcgov.com/ced/planning/pages/mapofplanningcomm.htm.
[8] City of Minneapolis. Approved City Plans, http://www.ci.minneapolis.mn.us/cped/plans.asp and http://www.ci.minneapolis.mn.us/lrtrezoning/tod-haiwatha-01.asp, Accessed on March 18, 2009.

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	application of existing zoning designations that meet the goals for TOD; using zoning overlays is another possible technique, as discussed in the next tool.	intersections). The station area should have a clearly defined and appropriately scaled area of influence to ensure effective application of new zoning.		ridership-generating uses such as multifamily housing, office, or smaller-scale retail. Implementing this option with a provision for property owners to apply for a "binding waiver of enforcement" could make it more viable. This would create a formal process through which impacts on "fair market value" could be evaluated and would establish a controlled mechanism for mitigating Proposition 207 claims without a lawsuit.	
LU-2B Station Area Rezoning: Use Restrictions Based on Public Health and Safety and Transportation Impacts	Zoning restrictions can be designed to discourage uses or features that generate harmful impacts (e.g., noise or noxious odors) and/or uses that generate high levels of automobile or semi-truck traffic (e.g., big-box retail, gas stations, or industrial or warehousing uses), which would discourage walking and transit ridership and create hazards in a station area given	A clear justification for what uses are allowed in a particular zoning district based on public health, safety and transportation impacts.	New uses or restrictions must protect public health and safety and encourage multimodal transportation.	**Overall Viability = Negative** If public health and safety and transportation impact issues are not effective, use restrictions might trigger Proposition 207, especially if property owners perceive the restrictions as lowering their property values. Legal review is critical to determine extent of takings. This restriction	The team could not find any examples of use restrictions in a place with legislation such as Proposition 207. Much research and documentation has been completed documenting the public health (both direct physical health and benefits associated with better air quality) of walking and TOD. But this research would be a new approach in application to Proposition 207.

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	the high levels of pedestrian activity that transit generates.			might make the most sense as an overlay.	
LU-2C Station Area Rezoning: Optional Overlay Zone	Overlay zones create a separate set of requirements that amend existing zoning in specific areas. Some uses are restricted to prioritize activities that generate significant ridership, while others that support ridership are encouraged. Overlay zoning can be applied to parcels in an area when the overlay is adopted, but in this case, the overlay could be defined as optional zoning. Property owners could elect to use the overlay when they seek to develop or revitalize their properties.	The city should take care to make the uses and requirements of the overlay zoning as attractive as possible while achieving the goals of TOD. The city could encourage property owners to opt for the overlay. Other incentives such as financial tools could be important in encouraging use of the overlay.	Making the zoning optional decreases the certainty that the new development will be compatible with surrounding development and will achieve the vision for the station area. This could make development that uses the overlay less attractive to property owners and therefore less valuable and effective as TOD. The tool's value will also be affected by market demand for the types, intensities, and amount of land uses described in the overlay zoning.	**Overall Viability = Positive or Negative** Overlay zoning should not be an issue under Proposition 207 as the overlay would be optional – the property owner has to choose to participate. The main challenge to the viability of opt-in overlay zones is the possibility that an insufficient number of property owners will choose to be included. Without a critical mass of included parcels, such overlay zones will be ineffective.	City of Austin, TX (Development Review Checklist)[9] (voluntary) Charlotte, NC[10], (required for most types of TODs although there are also separate voluntary TODs) Tempe, AZ[11] (required) Vancouver, WA[12] (voluntary, incentivized) South Salt Lake City, UT[13] (voluntary, incentivized)

[9] City of Austin. Transit-Oriented Development (TOD) Interim Regulations Development Review Checklist for Zoning, Subdivision and/or Site Plan Cases, http://www.ci.austin.tx.us/planning/tod/downloads/InterimRegs_for_web.pdf. Accessed February 23, 2009.
[10] Charlotte-Mecklenburg Planning Commission, TOD/TS/PED Update. http://ww.charmeck.org/Planning/Rezoning/TOD-TS-PED/TOD_Presentation(11162006).pdf. Accessed May 14, 2009.
[11] City of Tempe, AZ, Zoning and Development Code, Amended June 1, 2006. Chapter 6 – Transportation Overlay District, http://www.tempe.gov/ZONING/ZDCode/TOC.pdf. Accessed February 23, 2009.
[12] City of Vancouver, WA, Municipal Code Title 20 Land Use and Development (Zoning) Chapter 20.550 Transit Overlay District, landuse.law.pace.edu/landuse/documents/laws/reg10/VancouverWATOD.doc. Accessed February 23, 2009.
[13] South Salt Lake City Municipal Code, Chapter 17.66, Transit Oriented Development (TOD) Overlay District, www.envisionutah.org/resourcesfiles/22/South%20Salt%20Lake%20TOD%20Code.doc, Accessed March 18, 2009.

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LU-3A Land Use Intensity Tools: Density Bonuses	Density bonuses can promote mixed-use and compact development while creating the land use intensity that can efficiently support public services and transit usage. Density bonuses grant developers the opportunity to increase the number of units in a development beyond that which is typically allowed by zoning in exchange for providing a public amenity from which the community can benefit.[14] Density bonuses are established to relieve developers the cost burden of an inclusionary housing ordinance that mandates affordable unit set-asides.	Coordination with affordable housing goals and benchmarks for achievement.[15] Information regarding conditions should be clear and uniformly applied to a variety of development proposals. Where appropriate, inclusionary units should be constructed within walking distance of the transit station, as lower-income households are less likely to own cars and more likely to use transit than higher-income households.	Land cost, property values, and rents determine the true value of increased density. For example, if a project's economic fundamentals justify the higher construction cost per square foot that comes with moving from a wood frame structure with surface parking to a concrete structure with underground parking, then a density bonus permitting additional units will be highly valuable.[16]	**Overall Viability = Positive** The viability depends on land values and rents at individual stations. Current values are important, but anticipated values over the next 5 to 10 years may be a more appropriate measure for density bonus policies. It is critical to consider the application of these land use oriented tools as part of the station area planning process. This and other tools are only appropriate in certain station locations due to existing and projected conditions.	Ballston Metro Station, Arlington, VA[17] Bethesda and Silver Spring, Montgomery County, MD[18] San Diego, CA[19]

[14] Smart Growth Network. *Getting to Smart Growth: 100 Policies for Implementation*. October 2003. [
[15] Shoemaker, D. with Center for Transit Oriented Development *Tools for Mixed-Income TOD*.. 2006, http://www.reconnectingamerica.org/public/show/tools.
[16] Utter, M. *The Match Game: Bringing Together Affordable Housing and Transit Villages.* Urban Land Institute,, http://ww.deltaorg.com/news-uli_winter_05.html 2005.
[17] Arlington County, Virginia. National Award for Smart Growth Acheivement.
http://www.co.arlington.va.us/Departments/CPHD/planning/docs/CPHDPlanningDocsGLUP_metrocorridors.aspx
[18] Montgomery County, Maryland. History of Moderately Priced Dwelling Units, http://www.montgomerycountymd.gov/content/dhca/housing/housing_P/mpdu/history.asp. Accessed May 12, 2009.
[19] City of San Diego. San Diego Municipal Code, http://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Art03Division07.pdf. Accessed May 12, 2009.

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LU-3B Land Use Intensity Tools: FARs and Building Height Bonuses	Increased floor area ratios (FARs) and building heights allow more activity to be provided on a given parcel, which is consistent with the goals of TOD. If the uses are marketable and the buildings and parking are affordable, increases in FAR and building heights will create more land and development value. Similar to residential density bonuses, commercial intensity bonuses are often linked to the provision of public amenities, such as open space, access improvements, or community or cultural facilities.	Building height needs to be calibrated according to allowable densities and zoning. May require infrastructure upgrades to support increased density. FARs and building heights should be achievable in the foreseeable future so that they do not encourage unreasonable land value expectations (as has happened along some portions of Central Avenue in Phoenix). They should also be acceptable to the surrounding neighborhoods.	Market demand for density and intensity level afforded by more intensive use of land area.	**Overall Viability = Neutral** Unclear, related to market and public viability of potential intensities and establishing the public benefit/amenity that is required for the bonus.	In Seattle, downtown and adjacent areas offer a green building density bonus for LEED Silver or higher and other amenities (e.g., public open space, public atrium, transfer of development rights, child care, public restrooms, green street stormwater improvements, and transit station access).[20] Fairfax County, VA, also has a green building density bonus program.[21] In Vancouver, WA, developments can receive FAR and building height bonuses in addition to base zoning bonuses if TOD design criteria are satisfied.[22]
LU-4A Land Use Standards Enhancement: Form-Based Codes	A form-based code is a method of regulating development to achieve a specific urban form. Form-based codes create a predictable public realm by controlling	Ability to integrate form-based code into existing regulatory framework or adopt through overlays. City officials and staff, property owners, and	The extent to which a form-based code reduces the need for design review and approvals by the Planning Commission will be key to its success as an incentive for TOD.	**Overall Viability = Positive** A form-based code has been established for downtown Phoenix, but its effectiveness is still to be determined.	Leander, TX, has a Smart Code that includes elements of a form-based code.[24] In the East Colfax Area Plan in Denver, much of the plan takes a more

[20] City of Seattle. City Green Buillding, http://www.seattle.gov/DPD/GreenBuilding/Commercial/IncentivesAssistance/default.asp. Accessed May 12, 2009.
[21] Arlington County. Environmental Services, http://www.co.arlington.va.us/departments/EnvironmentalServices/epo/EnvironmentalServicesEpoIncentiveProgram.aspx. Accessed May 12, 2009.
[22] City of Vancouver, WA, Municipal Code Title 20 Land Use and Development (Zoning) Chapter 20.550 Transit Overlay District, http://landuse.law.pace.edu/landuse/documents/laws/reg10/VancouverWATOD.doc.

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	physical form primarily, with a lesser focus on land use. Form-based codes address the relationship between building façades and the public realm, the form and mass of buildings in relation to one another, the location and design of parking, and other building form and site planning issues. They may also address the scale and types of streets and blocks. The regulations and standards in form-based codes, presented in both diagrams and words, are keyed to a regulating plan (i.e., a zoning map) that designates the appropriate form, character and scale of development, rather than only the type of land use.[23]	developers would have to accept and understand the focus on built form as opposed to land use and its value to achieving effective TOD.	It needs to make the approvals process more straightforward and result in high-quality and marketable TOD.	The implications of Proposition 207 for a form-based code are likely similar to rezoning and overlay tools. A property owner might argue that the application of a form-based code could reduce property values; see Proposition 207 discussions in LU-2A, 2B, and 2C, Station Area Rezoning tools.	standard area planning approach, but the plan did result in the creation of two "Main Street" zoning districts that use a form-based code.[25] Albuquerque, NM, has several form-based code zoning designations, including "TOD-Major Activity Center" and "TOD-Community Activity Center." [26]

[23] Form-Based Codes Institute. http://www.formbasedcodes.org/, Accessed May 12, 2009.
[24] City of Leander, Texas. Leander SmartCode, http://www.leandertx.org/pdfs/Leander SmartCode 8-02-05.pdf. Accessed April 20, 2009.
[25] Denver Business Journal. Colfax Avenue: Denver Main Street Taking on New Life, http://www.denvergov.org/Portals/130/documents/M S Zone District Fact Sheet 12 12 05.doc and http://www.bizjournals.com/denver/stories/2005/04/25/focus1.html. Accessed May 12, 2009.
[26] City of Albuquerque. AlbuquerqueGreen, http://www.cabq.gov/albuquerquegreen. Accessed May 19, 2009.

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LU-4B Land Use Standards Enhancement: Design Guidelines	Station area design guidelines can help ensure that new development or redevelopment of existing sites and buildings is pedestrian friendly, attractive, and connects the neighborhood to the transit station. TOD design guidelines often address the design of parking (including landscaping and other buffers around lots), pedestrian furniture, signage, ground-level building façade design and materials, and respect for neighborhood spaces. TOD projects could also incorporate low-impact development techniques, such as multi-level or covered parking structures with green roofs and other water harvesting and stormwater management best practices.[27]	Flexibility in allowing innovative practices that can be applied outside of boundaries of regulations.	If the design guidelines are optional, they may not have much weight or effectiveness, except to the degree that their use can expedite planning approvals of projects by giving more discretionary review responsibilities to staff and minimizing the need to take projects through design review and planning commission review. Applying design guidelines in many cases results in the streamlining of the development review process.	**Overall Viability = Neutral** Existing city of Phoenix TOD-1 and TOD-2 zoning overlays include some design guidelines, such as shade and signage on sidewalks.	Massachusetts Smart Growth/Smart Energy Toolkit Design Guidelines[28] Bay Area Rapid Transit Station Area Plans (CA) (San Leandro, South Hayward, Glen Park, San Francisco)[29] Dublin Transit Village Design Guidelines, Dublin, CA: these guidelines were prepared with funding from a non-profit and have been used by the city in addition to the specific plan that was adopted for the transit village. City of Denver: Station Typologies, Station Area Plans (Draft Alameda Station Area Plan and Sheridan Station Area Plan)[30]

[27] State of Massachusetts. Smart Growth/Smart Energy Toolkit, http://www.mass.gov/envir/smart_growth_toolkit/pages/mod-tod.html. Accessed May 12, 2009.
[28] State of Massachusetts. Smart Growth/Smart Energy Toolkit, http://www.mass.gov/envir/smart_growth_toolkit/pages/mod-tod.html. Accessed May 12, 2009.
[29] Reconnecting America. Policies and Incentives to Encourage TOD in the Bay Area, http://www.mtc.ca.gov/planning/smart_growth/tod/TOD_Study_Nov_draft.pdf. Accessed April 25, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	Similar to station area plans, design guidelines make the city's expectations for the quality of development clear to residents and others, as well as help assure developers that they are investing in an area that will have consistently high-quality development.				
LU-5A Parking Tools: Revised Parking Standards	Parking standards could be revised to: 1) allow developers to provide fewer spaces for uses in station areas; 2) create standards for shared parking among separate uses; 3) allow on-street parking to count toward required spaces; and 4) limit the total number of parking spaces required to increase the feasibility of mixed-income housing and mixed-use development by lowering project costs.[31]	Revising parking standards would require a parking strategy that sets parking in an amount and configuration appropriate to demand given the high level of transit access. Appropriate parking levels can encourage transit use, walking, and bicycling. The city would determine the appropriate amount of parking given levels of transit use and access and whether each station area is a local or a regional draw.	The type of parking shapes the fundamental value of the incentive – it is more valuable with structured parking ($20,000 to $30,000 per space) than with surface parking ($1,000 to $2,000 per space). Parking strategies are more effective as part of an integrated set of strategies (e.g., reduced impact fees and street improvements to facilitate walking and transit access, density and FAR bonuses).[32]	**Overall Viability = Positive** The appropriate level of flexibility depends on the type of station, the current parking supply and the nature and function of the land uses. City staff will need to review and change parking standards appropriately.	Phoenix TOD1 and TOD2 Portland, OR Bay Area, CA Washington, DC San Diego, CA[33]

[30] City of Denver. TOD in Denver, http://www.denvergov.org/TOD/HomePage/tabid/395229/Default.aspx. Accessed May 20, 2009.
[31] Douglas Shoemaker and Center for Transit-Oriented Development. August 2006.
[32] Transportation Research Board. *TCRP Report 128: Effects of TOD on Housing, Parking and Travel*, 2008.
[33] City of San Diego. San Diego Municipal Code, http://docs.sandiego.gov/municode/MuniCodeChapter14/Ch14Art03Division07.pdf. Accessed May 12, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
LU-5B Parking Tools: Shared Parking	The parking that is needed for a specific land use varies by time of day and day of the week. Shared parking aims to reduce total parking demand and the incremental cost of providing parking, rather than reducing the amount of parking required for individual uses. This is done by providing parking that is accessible to a mix of uses (e.g., businesses, institutional or civic uses, residences) and that satisfies the varying needs of the uses at different times. The maximum amount of parking provided is determined by the time of day and day of the week where the combined parking demand of all the uses is highest.	Established system for property owners and businesses to support shared parking. Development regulations would need to allow shared parking.	Value depends on prevalence of existing surface parking lots, where shared parking is not encouraged or allowed.	**Overall Viability = Positive** This concept needs better understanding. A few local examples to illustrate the market saturation for this idea include: Arizona State University's downtown campus and Valley Metro Transit Center (Paradise Valley Mall).[34] Parking tools are discussed further in "Impact of TOD and Smart Growth Incentives on Development in Phoenix"[35]	Mesa, AZ[36] Dr. Martin Luther King Jr. Plaza, Miami, FL[37] Lindbergh City Center, Atlanta, GA[38,39] Berkeley, CA[40] MacArthur Transit Village, Oakland, CA[41]

[34] Valley Metro Rail. Sycamore/Main Street, http://www.valleymetro.org/bus/Transit_Centers/College_Ave.htm . Accessed May 14, 2009.
[35] The document referenced is one of four publications created in the project.
[36] "Mesa Strives for Main Street Renaissance," Sonu Munshi, *East Valley Tribune*, November 29, 2008. http://www.eastvalleytribune.com/story/131472
[37] Denver Regional Council of Governments, February 2009.
[38] California Department of Transportation. Statewide Transit-Oriented Development (TOD) Study, Factors for Success in California, Parking and TOD: Challenges and Opportunities, http://www.drcog.org/documents/Parking%20and%20TOD.pdf. Accessed April 25, 2009.
[39] *Parking Spaces/ Community Places, Finding the Balance through Smart Growth Solutions*. EPA. http://www.epa.gov/smartgrowth/parking.htm]. 2006.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
LU-5C Parking Tools: Parking Districts	Parking could be provided in a shared parking lot or structure to provide all or part of the parking needed for the uses in a district. Businesses and, sometimes, residents in the district typically pay for at least a portion of the maintenance and operating costs of the parking and possibly for its construction. Managers of the parking district calculate the appropriate distribution of shared parking for the existing conditions.	Identify parcels that could benefit from having all or some of their parking removed from their property and where opportunities exist for a large parking structure, such as a major shopping center, a station park-and-ride facility, or other publicly owned land. The uses should be compatible with parking that is somewhat removed from the use; for example, most residents will want to have parking near their homes.	Areas with relatively small parcels where on-site structured parking is particularly challenging to build. Another factor is the sensitivity of economic impacts of development compared to anticipated parking costs.	**Overall Viability = Neutral** Effective parking districts are currently viable approaches in several downtowns – Phoenix, Tempe, Glendale, Scottsdale, and others. Regional shopping centers could use "district" parking.	Downtown Redwood City, CA, has instituted extensive parking management and parking pricing strategies.[42]

[40] Metropolitan Planning Commission. *Reforming Parking Policies to Support Smart Growth Toolbox/Handbook*. June 2007. http://www.mtc.ca.gov/planning/smart_growth/parking_seminar/Toolbox-Handbook.pdf.

[41] Alameda County CMA TOD Technical Assistance Program: Shared Parking Case Study: MacArthur TOD May 17, 2007. http://www.accma.ca.gov/pdf/talu/TOD_TAP_SharedParkingPresentation_051707.ppt.

[42] Redwood City. Downtown Redwood City Parking Management Plan, http://shoup.bol.ucla.edu/Downtown%20Redwood%20City%20Parking%20Plan.pdf . Accessed April 16, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
DEVELOPMENT ASSISTANCE TOOLS					
DA-1 Fast Track Development Review	Creating streamlined development review and building permitting processes, administered by city staff, for projects meeting specific criteria can reduce project financing costs for developers and make TOD more financially attractive. The financial benefit of the expedited review could provide an additional basis for arguing that new zoning does not violate Proposition 207.	Willingness of the local jurisdiction to create a streamlined process or, in some cases, a "green tape" program for TOD. This might be met with protest from non-TOD projects.	If the criteria to qualify for expedited review are too loose, it may be difficult to maintain a transparent review process that is true to the intent of the development standards or other criteria. Could be linked to zoning overlay, with only those projects that opt for the overlay receiving the expedited review.	**Overall Viability = Positive** Precedent exists in Phoenix for such a policy. Implementation would require: 1) pre-application conferences between planning staff and developers and 2) prioritizing staff time and resources to ensure a streamlined process for projects that qualify.	BART Hayward Station, CA Douglas County, GA Austin, TX[43]
DA-2 Capital Funding for Infrastructure	There is no single source of funds designed to facilitate transit-oriented development at station areas. The sources of capital funding are the same as those used for regular municipal infrastructure development. The funding challenge is to use these resources to maximize the potential development	Several funding sources are needed as part of a comprehensive, targeted funding strategy. A targeted funding strategy will allow jurisdictions to link funding for infrastructure with the likely beneficiaries of the proposed improvement. This allows jurisdictions to extend their limited resources and lets	The key condition for infrastructure funding is the availability of various funds that can be used. Depending on political will and community support, available incentives may positively impact the value of tools.	**Overall Viability = Positive** Viability depends on availability of state and regional funds which is prioritized by the state. Once funds are available, cities can prioritize within their local bond programs by various departments or a centralized department.	New Starts Communities; Congestion Mitigation and Air Quality; and Transportation, Community and Systems Preservation

[43] City of Austin. S.M.A.R.T Housing, http://www.ci.austin.tx.us/ahfc/smart.htm Accessed March 23, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	opportunities in a station area.[44]	them benefit from the increased value created by the public investment.			
DA-3 Tax Increment Financing	Tax increment financing (TIF) is commonly used by cities to pay for infrastructure or other improvements to spur new development and reinvestment in areas that need revitalization, but where market forces are weak. The amount of tax revenue flowing to all of the taxing entities, including the city, school districts, and the state, is fixed at a base year level. The increment -- any increase in actual tax revenues above the base year -- is redirected to the TIF district. In some states, like California and Illinois, the tax increment is based on property taxes. In	Should the Arizona legislature consider legislation to enable TIF, certain elements would make the legislation more useful for promoting TOD than typical TIF enabling legislation: • Allow any area within ½ mile of a transit station to be eligible for TIF designation. In most states, areas must meet certain standards for blight to justify TIF designation and, although many transit zones need investment to spur TOD, they often do not meet the blight standards. • Allow cities to create a continuous TIF district along a single transit line, incorporating all of	Because TIF in Arizona would be based on sales tax, only areas with potential for considerable retail development would probably be appropriate for TIF districts, unless a single district could be created along an entire transit line. Special legislation would be required for individual agreements. Two examples are Rio Nuevo in Tucson[45] and a redevelopment district in the city of Casa Grande.[46]	**Overall Viability = Requires State Legislation** It is currently not legal to establish new TIF districts in Arizona, although a few areas have districts that were formed prior to the legal challenges that ended the practice in the state. However, some groups in Arizona, such as the Maricopa Association of Governments, League of Arizona Cities, city of Tucson and the Downtown Phoenix Partnership, have proposed passing state enabling legislation for TIF to help make Arizona cities more competitive with their counterparts elsewhere in the	The California legislature has passed a law allowing transit-oriented TIF districts. The governor vetoed the bill as part of recent problems with the state budget, but, the legislation is expect to pass again next time it comes up for a vote. The language in this bill could serve as a model for the Arizona Legislature. The city of Dallas created a single TOD TIF district, connecting multiple station areas.[47]

[44] Puget Sound Regional Council. "Financing Transit-Oriented Development." http://www.psrc.org/projects/tod/funding.htm. Accessed April 12, 2009.
[45] Downtown Tucson. Rio Nuevo, http://www.downtowntucson.org/investment/rionuevo/. Accessed July 10, 2009.
[46] Arizona State University. Tax Increment Financing (TIF) and Urban Revitalization in Arizona, http://design.asu.edu/hcdr/documents/unintended_consequences/UC_63_PLA_TaxIncrementFinancing.pdf. Accessed April 12, 2009.
[47] All Business. Dallas Creates First Tax Increment Financing District Dedicated to Multi-Station Transit, http://www.allbusiness.com/legal/property-law-real-property-zoning-land-use/11730031-1.html. Accessed May 17, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	other states, including Colorado and Arizona, the increment is based on sales taxes.	the station areas in one district. This would allow for sharing increments among the station areas along the line, rather than creating individual districts around each station area. • Copy TIF rules enacted in other states that allow other taxing entities, such as school districts, to continue to capture some portion of the increment. • Set aside some portion of the increment to support construction of affordable housing.		nation. If statewide enabling legislation were passed, TIF funds could be used to encourage TOD projects. Potential conflicts with Proposition 207 will be understood when applied.	
DA-4 Reduced Impact Fees in Station Areas	Some cities charge $10,000 to $20,000 per residential unit to cover the cost of additional infrastructure. Waiving or reducing such fees can be a significant incentive, particularly for projects that provide	A clear fee schedule that includes reduced fees in station areas. Fiscal analysis justifying fee reductions may also be required.	Tied directly to the level of impact fees assessed and the extent to which they are waived or reduced with a station area.	**Overall Viability = Currently Infeasible** Development impact fees are not assessed by Phoenix in light rail phase 1 or phase 2 station areas. Mesa does not have transportation impact fees and exempts	Montgomery County, Maryland Affordable Housing Task Force[48] Bernalillo County, New Mexico (Albuquerque) Affordable Housing Impact Fee Waiver Procedures[49]

[48] Montgomery County. Affordable Housing Task Force, http://www.montgomerycountymd.gov/content/DHCA/community/pdf/rr-ahtf.pdf. Accessed April 12, 2009.

[49] City of Albuquerque. AlbuquerqueGreen, http://www.bernco.gov/upload/images/zoning_building_planning/affordable_housing_proc.pdf Accessed May 19, 2009

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	more affordable housing options. Fees are usually reduced or eliminated when an application is made illustrating the number of affordable units that will be built.			these areas from stormwater impact fees. Impact fees could be considered for future extensions.	

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
Place Making and Access Tools					
PM-1 Streetscape and Pedestrian/Bicycle Improvements	The public realm of the streets and other civic spaces in a station area are the glue that holds a TOD together and creates places where walking is comfortable and enjoyable. One method for encouraging private investment in a station area is to enhance the public investment in the transit system by making to local streets. Enhancements could include aesthetic and transportation improvements to existing streets and the creation of new bicycle and pedestrian connections.	Availability of capital funding to design and construct improvements (some of the funding tools discussed in the Strategic Package of Tools could be used to fund these improvements).	To be most effective, streetscape and pedestrian/bicycle improvements should be complemented by development that provides the desired mix and intensity of uses, creating a supportive relationship between the buildings and the street.	**Overall Viability = Positive** Success depends on the urban form including sidewalks, signage, lighting, safety provision associated with each station area. The more pedestrian amenities, the better for encouraging transit riders.	The Alameda County, CA, Congestion Management Agency has invested in streetscape improvements around BART (commuter rail) stations in the county to support private investments in the areas, programming nearly $6 million in 2006.[50] Denver Ave, Portland, OR[51]
PM-2 Façade and Site Frontage Improvement Program	Provide low- or no-interest loans or grants to revitalize existing building façades and lot frontages to make streets in the station area more appealing	Some station areas may have more of a focus on revitalization of existing buildings and sites to support more pedestrian activity.	The desired improvements need to be affordable and show a return on investment for owners to be willing to take out a loan to make improvements.	**Overall Viability = Neutral** Most cities around the country use tax increment or general fund revenues to pay for these programs.	Scottsdale, AZ, Downtown Covered Walkway and Façade Improvement program[52] Berkeley, CA Fruitvale Transit Village,

[50] Alameda County Congestion Management Agency. Bicycle Program, http://www.accma.ca.gov/pages/HomeBicyclePlan.aspx. Accessed April 20, 2009.
[51] Portland Devleopment Commission. Downtown Kenton Denver Avenue Streetscape Plan, http://www.pdc.us/pdf/ura/interstate/kenton/denver-avenue-streetscape-plan-draft-011008-lowres.pdf. Accessed April 12, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	to pedestrians. A condition of the loan program would be acceptance and compliance with design standards and guidelines for the façade or frontage improvements. The Phoenix Industrial Development Authority might be an appropriate partner to fund façade improvement programs.		The level of intensity and value in existing development justifies its preservation and improvement and its ability to contribute to a transit-supportive environment. Most applicable in areas with a traditional neighborhood business district, not a strip mall or other retail center oriented around a parking lot.	Because Arizona cites currently cannot use TIF, a façade and site frontage improvement loan program could be difficult to implement in the Phoenix area. Although Scottsdale has had such a program in its downtown, funding was recently eliminated and these grants are no longer available.	Oakland, CA: The Fruitvale Development Corporation (the non-profit developer of the transit village at Fruitvale BART) also used a façade improvement and building renovation program to support revitalization for more than 100 properties along the International Boulevard
PM-3 Tax-Exempt Bonds	Tax-exempt bonds are issued by a municipal, county, or state government whose interest payments are not subject to federal income tax or, sometimes, state or local income tax. This tool is typically paired with Low Income Housing Tax Credits to build affordable housing units. Timeframes for affordability are established through state preferences.	The funding for bonds must be available, based on available capital from investors. For general issue bonds, the public needs to have sufficient interest and cash available to purchase bonds.	Market variations will determine the success of tax-exempt bonds; furthermore constraints exist at the municipal level due to meeting affordable housing requirements	**Overall Viability = Negative** This tool could be used as part of LA-1 Joint Development. Phoenix already uses General Obligation bonds for affordable housing loan programs and for some redevelopment.	The state of California has used tax-exempt bonds to fund transit projects including Ohlone-Chynoweth in San Jose. Many development projects require at least types of funding.[53] Illinois encourages the use of tax-exempt bonds with Low-Income Housing Tax Credits to achieve affordable housing.

[53] California Department of Transportation. Statewide Transit-Oriented Devleopment Study: Factors for Success in California, http://transitorienteddevelopment.dot.ca.gov/PDFs/TOD%20Study%20Exectutive%20Summary.pdf. Accessed April 12, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	Tax-exempt bonds can also be a tool for commercial development.				
PM-4 Tax Abatement	Tax abatement for TOD has been established to support high-density housing and mixed-use developments affordable to a broad range of the public on vacant or underused sites. The exemptions support TOD projects by reducing operating costs through a ten-year maximum property tax exemption.	Tax abatement programs are typically established for targeted areas of the community. Conditions typically specify the project size, scope and density.	The categorization of public benefits by city officials will determine affected impacts upon tool value.	**Overall Viability = Currently Infeasible** Arizona cities do grant property tax abatements, which can be a significant incentive for development projects. Further analysis should be completed to evaluate whether tax abatement could offset any perceived decrease in property values as a result of enacting TOD overlay zoning. Tax abatement is possible only in certain redevelopment areas and potentially for future extensions.	The city of Portland, Oregon has used tax abatement for encouraging multi-family housing in proximity to transit.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
LAND ASSEMBLY TOOLS					
LA-1 Joint Development Program	Joint development programs formalize public- and private-sector cooperation in planning, design, and construction for a development project that will occur on transit agency-owned land, but will be developed by a private-sector partner. These projects could include sale of air rights above a transit facility, a long-term lease, or a land sale. In some cases, the transit agency will receive full market value for the transaction, but in others, the transit agency may be required to write down the value of its interest to promote TOD.	Comprehensive knowledge of market conditions and pro forma analysis for specific stations. Concern related to getting the project to make a profit, or at the minimum, cover its costs. A clear joint development policy should consider the benefits of both ridership and revenue for the transit agency and a process for developer selection managed by staff with real estate development experience and with the help of consultants as needed.	The balance of risk-reward for joint-development is born by the public and private sector, which can be unpredictable.. Joint development programs can be important in spurring additional station area development if it is used as a catalyst for early development projects that set an example and can shift the local market conditions.	**Overall Viability = Neutral** Tempe has shown this method is viable and effective, yet other challenges exist for Phoenix and Mesa based on prioritization of this tool from stakeholders.	Portland, OR[54] San Francisco, CA Santa Rosa, CA WMATA, Washington, DC McClintock Station[55]
LA-2 Land Acquisition Loan Funds	Cities assemble various loan funds around the country to assist developers in acquiring land for affordable housing.	A viable source of funding and a mechanism to pay back funds if appropriate.	Available funds for land assembly. Willingness of property owners to work in a public-private	**Overall Viability = Neutral** Based on city, state, and federal funds and priorities.	Portland, OR Hiawatha Line, Minneapolis, MN (Land Acquisition RFP)[56]

[54] Metro. Welcome to Metro, http://www.metro-region.org/article.cfm?ArticleID=140. Accessed April 12, 2009.
[55] Denver Regional Council of Governments. TODay Workshop #2. Making the Vision Reality, http://www.drcog.org/documents/Starnes_Financing%20TOD%20presentation.pdf. Accessed April 12, 2009.
[56] City of Minneapolis. RFP for Hiawatha Light Rail Transit (LRT) Land Assembly Fund, http://www.ci.minneapolis.mn.us/cped/hiawatha_land_assembly_rfp_home.asp. Accessed April 12, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	These funds have not necessarily been targeted to TODs, but many nonprofits are now considering focusing more directly on TOD. These funds are generally for affordable housing projects only, and the loans have been relatively short term, allowing the developer to acquire land before lining up all of its funding sources for the project. Once the "permanent sources" are secured, some of that money is used to pay back the land acquisition loan. Capitalization for these loan funds have come from a combination of sources, including foundations, banks, and various state and municipal sources. Although federal transportation dollars cannot be used for land acquisition, MPOs can work with the Federal Government to devise a suitable acquisition program.	A system for prioritizing parcels to be assembled, if coordinated from a municipal source. Incentive programs for land assembly are encouraged if assembly is outside a public-private partnership. A system for prioritizing parcels to be acquired.	partnership.	Fund creation is often led by foundations that pay for the upfront costs. Local Initiative Support Corporation has participated in forming several such funds and could potentially play this role in the Phoenix area as well. Motivation of groups like Urban Land Institute to help support land assembly for TOD. Viability also depends on the provision of community benefits and how the land banking account is established.	Los Angeles New York Charlotte, NC (South Corridor Land Acquisition Fund)

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
LA-3 Funds for Buying Available Parcels in the Open Market	Unlike the loan fund described in LA-2, these funds can be used to assemble land and create catalyst TOD projects in locations where the market is not yet viable for higher density housing projects. They can also be used to secure land that will be appropriate for TOD in the future, but where current market pressures are likely to result in near-term development that is not transit supportive.	Source of patient capital that could be used for land banking rather specific developer-sponsored projects. An entity, such as a city or non-profit organization, needs to have the capacity to acquire and hold the land until it is suitable for development.	Parcels that are vacant/underused and of sufficient size to be able to support a critical mass of development.	**Overall Viability = Neutral** There is no existing source of funding for a land assembly fund, but if there is interest, a consortium of foundations and governmental agencies could form a fund, as is being considered in the Bay Area and the Twin Cities. The city of Phoenix Housing Department has acquired a site for TOD affordable housing.	Tyson's Corner, VA Minnesota Transit Improvement Area Accounts

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
Programmatic and Institutional Tools					
PI-1 Business District Association or Business Improvement District	Business or community improvement districts are special purpose districts where property owners and/or businesses within a defined area vote to tax themselves and use the tax revenues, or assessments, to pay for local improvements and/or services. Some districts have the power to bond against their levy and can therefore fund capital improvements. Other districts are more oriented towards services, such as street cleaning, public safety, marketing, and promotional events.	Willingness of businesses and/or property owners to participate. While most of these districts have traditionally included business and commercial property owners only, cities like San Francisco and Denver are considering including a wider range of owners, including institutions like churches and residential property owners.	These districts work best in an existing commercial node that has been experiencing declining sales, disinvestment, or other competitive challenges.	**Overall Viability = Positive** Many cities in Arizona, including Phoenix, have business improvement districts.	Business Improvement Associations, Seattle, WA San Francisco, CA San Diego, CA
PI-2 Marketing and Outreach Strategies	Many communities use a variety of techniques to "market" their TOD sites to potential developers, as well as to educate elected officials and citizens about the benefits of TOD. These activities range from publicizing TOD	Lead agency with a budget for materials and events.	In communities unfamiliar with TOD, these combined activities can have a significant impact on interest in and acceptance of TOD.	**Overall Viability = Positive** City staff could coordinate activities with credible community leaders to ensure buy-in from the public and private sectors.	Foothill Extension Joint Powers Authority, San Gabriel Valley, CA City of Denver TOD Strategic Plan

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	sites through brochures and websites, to educational lectures, tours, and other events.				
PI-3 Livable Communities Program	Regional planning agencies can use a portion of their discretionary transportation funds to support projects that would otherwise not be funded, but that demonstrate desirable public benefits typically related to transportation and land use, such as: - Strengthen the link between transit planning and community planning, including land use policies and urban design supporting the use of transit and providing physical assets that better meet community needs. - Improve access to transit particularly for minority and low-income residents. - Increase access to employment, education facilities,	Policies need to be established to connect the provision of affordable housing with eligibility for transportation improvement funds. Need to develop program goals and evaluation criteria that assess how projects address those goals.	Federal, state, and local matching funds, as well private development interest to leverage livable communities funding. Extent of flexible funding that is available for Maricopa Association of Governments to commit to a Livable Communities program.	**Overall Viability = Neutral** Maricopa Association of Governments would administer goal/priority development, funding, and program oversight for the Livable Communities program(s).	Metropolitan Transportation Commission, Bay Area, CA – this program includes planning and construction grants as well as a Housing Incentive Program (HIP) which rewards governments that build housing, particularly affordable housing, near transit hubs. Metropolitan Council, Minneapolis/St Paul, MN, Livable Communities Act of 1995. Organization provides funding and assistance to communities to develop affordable and lifecycle housing.[57] METRO TOD Development and Centers Program, Portland, OR[58]

[57] Metropolitan Council. Livable Communities Grant Program, http://www.metrocouncil.org/services/livcomm.htm. Accessed May 20, 2009.
[58] Metro. Transit-oriented development, http://www.metro-region.org/index.cfm/go/by.web/id=140. Accessed May 20, 2009.

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
	and other community destinations through community-oriented, technologically innovative transit services and facilities. - Leverage resources available through other federal, state, and local programs and private non-profit and for-profit assets.				
PI-4 Community Development Corporation (CDC) Lead Efforts	Community Development Corporations (CDCs) are non-profit entities with the broad mission of community revitalization. These organizations typically have a geographic focus and undertake a range of activities to improve both physical and social conditions in their target area. CDCs have taken the lead in developing TOD projects in many cities around the country and have been successful largely because they have access to other funding sources than for-profit developers and can take on more challenging projects.	A CDC willing to become actively engaged in funding projects around transit.	In station areas that are suffering from disinvestment and/or have a significant low-income population, CDCs can have a major impact by developing TOD projects that could not be produced by for-profit developers.	**Overall Viability = Currently Infeasible** There are few local CDCs that have the capacity to develop TODs. Education and outreach must be developed with these CDCs to ensure that they are knowledgeable about TODs.	Seward ReDesign Minneapolis Fairmont Line, Boston

TOD Policy Tool	Brief Description of Tool and Its Purpose	Conditions Needed for Applicability	Conditions Affecting Expected Value of Tool	Viability of the Tool in Phoenix Region	Examples
PI-5 Housing Trust Funds	Housing trust funds are a dedicated source of funding for affordable housing. These funds are typically established by a governmental agency, such as a state, county, or city, and have some permanent source of revenue. Revenues can come from some form of tax or from an impact or linkage fee. Contributions from foundations and other donors can also be used for housing trust funds. However, these funds are publically administered and are not typically dependent on philanthropy for support.	A dedicated revenue source and an explicit goal to fund affordable housing near transit. Many housing trust funds are not necessarily directed towards transit-oriented locations, even though these offer the best long-term value for low- to moderate-income households.	The fund's size is the biggest determinate of its impact. The more funding available, the more significant the impact.	**Overall Viability = Currently Infeasible** Currently, the city of Phoenix supports its affordable housing program through GO bonds and HOME Program and Community Development Block Grants funds. State housing funds are typically restrictive and can only be used for "gap" financing. The Housing Trust Fund is still viable for TOD, but other sources need to be generated.	City of Berkeley State of Illinois: contributes a portion of its real estate transfer tax to its housing trust fund Columbus/Franklin County, OH Affordable Housing Trust