



# Infrastructure Financing Options for Transit-Oriented Development

Council of Development Finance Agencies, National Development Finance Summit  
August 9, 2013

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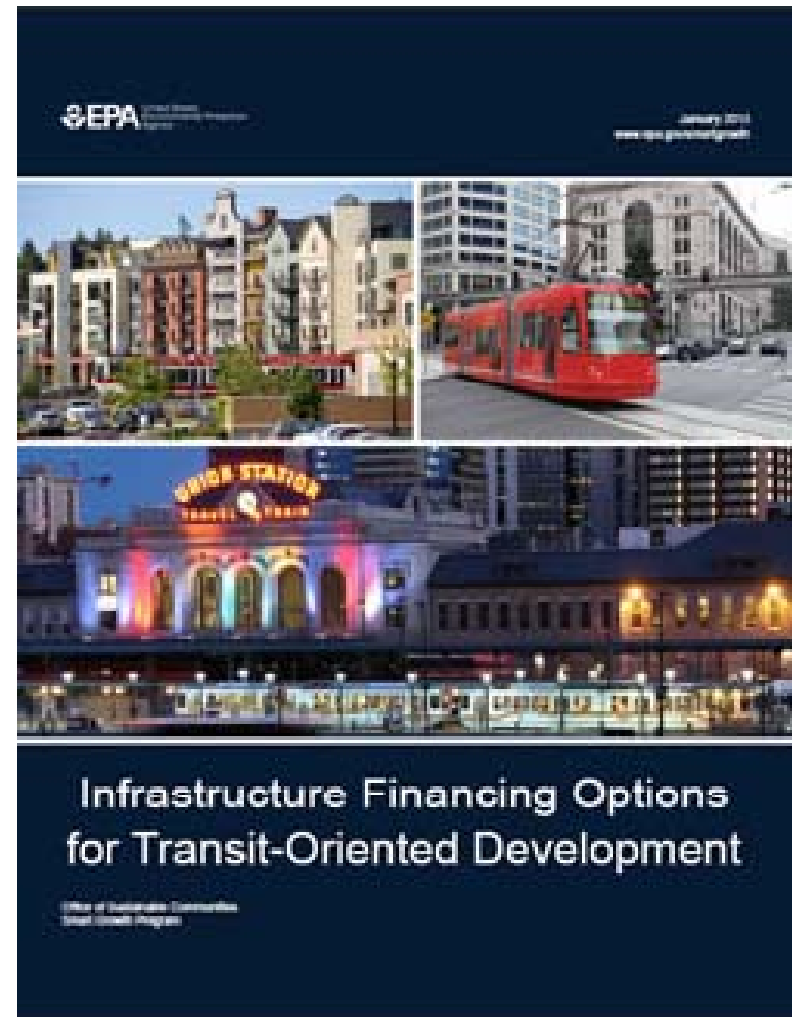
# TRANSIT-ORIENTED DEVELOPMENT DEFINED



Transit-oriented development (TOD) is development near a transit station that offers a mix of housing, employment, shopping, and transportation choices. Putting homes, jobs, and stores close to transit can give people less expensive, less polluting transportation options while improving their access to more job opportunities throughout the region. TOD is generally compact, walkable development, which uses land more efficiently and can help preserve undeveloped land, which can protect water quality.

# ARE YOU READY FOR TOD?

Motivational pitch or a challenge about the local realities and decisions for infrastructure finance and development?



# TOD PROCESS – PLAN, INVEST, REJOICE



# LOCAL COMMUNITIES AND CLIENTS

Salt Lake City, UT  
- UTA

Wheat Ridge, CO  
- City of

Atlanta, GA  
- Cobb County & CCID

Chicago, IL  
- SSMMA



# STATION AREA CONTEXT



Salt Lake City, UT  
- Suburban park & ride

Wheat Ridge, CO  
- End of the line station

Atlanta, GA  
- New line & station

Chicago, IL  
- Freight line conversion

# INFRASTRUCTURE NEEDS

Salt Lake City, UT

- Land, parking, roads

Wheat Ridge, CO

- Land, parking, water

Atlanta, GA

- Parking and energy

Chicago, IL

- Land, parking, housing



# EXISTING FINANCE TOOLS

Financing 1001s

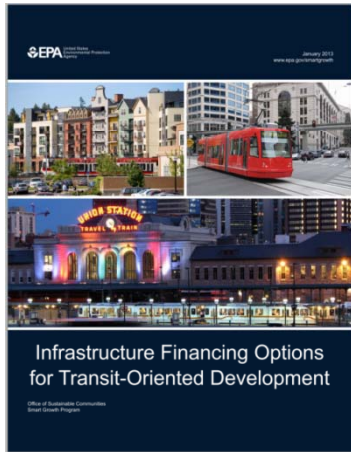
November 24, 2010

Tool	Description	Administration	SSMMA	UTA, Salt Lake City, & Sandy	Wheat Ridge	Cumberland CID & Cobb Co.
State/Local Programs						
Business Improvement District (BID, business improvement area, business revitalization zone, community improvement district, special services area, or special improvement district)	A defined area within which businesses pay an additional tax or fee in order to fund improvements within the district's boundaries.	Legislation is necessary to permit local governments to create BIDs.	YES	MAYBE Downtown Alliance is 20 yrs old. Must be renewed every 3 years	LIMITED Can't assess residential property under state statute for BID; CID can include residential	YES
Tax Increment Financing (TIF)	A method to use future gains in taxes to finance current improvements (which theoretically will create the conditions for those future gains).	49 states and DC have enabled legislation for TIF. Arizona is now the only state without a TIF law.	YES	YES	YES Called "Urban Renewal District"	YES Called "Tax Allocation District"
Congestion pricing (congestion charges)	A system of surcharging users of a transport network in periods of peak demand to reduce traffic congestion. This variable pricing strategy regulates demand, making it possible to manage congestion without increasing supply.	The application on urban roads is limited to a small number of cities, including London, Stockholm, Singapore, and Milan, as well as a few smaller towns.	?	MAYBE Has been done only for I-15	UNLIKELY	MAYBE I-75 undergoing P-3 to add lanes via TIFIA
Regional Transportation Authority/District			LIMITED Limited to planning studies via bid process	YES	YES	YES



# COMPARE WITH OTHER TOD PROJECTS

Infrastructure Financing Options for TOD



Project and Location	Development Context	Infrastructure Types	Primary Project Sponsor(s)	Estimated Project Cost	Primary Funding and Financing Tools									
					User Fees	Bond Financing	RIFF and TIFIA	Private Financing	Developer Fees	Assessment Districts	Tax Increment	Joint Development	Federal Funds	State/Local Funds
<b>Stations and Station Areas</b>														
New York Ave. Station (Washington, D.C.)	Weak market; new station; infill	Transit station land acquisition and construction	Local government	\$104 million						X			X	X
West Dublin BART (Dublin, CA)	Strong market; new station; greenfield	Transit station, parking, bike/ped	Transit agency	\$106 million	X	X							X	
Denver Union Station (Denver, CO)	Strong market; existing station; infill	Utilities, roads, bike/ped, rail and bus stations, parking	Transit agency; local government; regional council of governments; state DOT	\$435-\$519 million	X	X	X	X		X	X		X	X
<b>Districts and Downtowns</b>														
Downtown Stamford (Stamford, CT)*	Strong market; existing station; infill	Ongoing operations and maintenance	Business improvement district; local government	N/A*						X			X	X
New Quincy Center (Quincy, MA)	Strong market; existing station; infill	Utilities, roads, bike/ped, streetscape, parking	Local government	\$277 million	X			X		X				X
White Flint Sector Plan (Montgomery County, MD)	Strong market; existing station; infill	Roads, bike/ped, streetscape, parks, transit station, police, fire, library	Local government	\$313 million		X			X	X				X
<b>Transit Corridors</b>														
Dallas TIF for TOD (Dallas, TX)**	Strong and weak markets; existing transit line; infill	Utilities, roads, parks, bike/ped, streetscape, affordable housing, transit improvements	Local government	N/A**		X				X	X		X	X
Atlanta BeltLine (Atlanta, GA)	Strong and weak markets; new transit line; infill	Transit, parks, bike/ped, streetscape, schools, affordable housing	Local government	\$2.1-\$2.7 billion		X					X		X	X

Exhibit 1. Summary of Case Study TOD Funding and Financing Strategies

\*The Stamford special assessment district pays for ongoing operations and maintenance, not capital improvements as in the other case studies.

\*\*The Dallas corridorwide TIF district funds individual projects rather than having a list of planned infrastructure improvements for the district.

# MARKET ANALYSIS, STRONG OR WEAK



Current analysis and future projections:

- Demographics
- Jobs and employment
- Residential and non-residential
- Economic analytics
- Transportation and transit
- Local vision, goals, will

# STRATEGIC ANALYSIS



## Inputs

- Community plan and team
- Station area context
- Infrastructure needs
- Existing financing available
- Current market defined
- Future growth options understood as best as practical.

# INFRASTRUCTURE FINANCING OPTIONS FOR TOD

## Salt Lake City, UT

- Land disposition, Joint Devel., Shared Parking

## Wheat Ridge, CO

- Debt, Value Capture, Fed. Grants, Utility Fees

## Atlanta, GA

- PPP, Bonds, Land Bank, Structured Funds

## Chicago, IL

- TIF, Anchor Institution, & Structured Funds

TOD Illustrative Plan of Sandy Civic Center TOD



# COMMUNITY CAPACITY ANALYSIS



## Considerations

- Willing leadership
- Education and vision
- Laws in place
- Experienced staff
- Can qualify to use tools
- Community willing to participate