Transit-Oriented Development Overlays

Transit-oriented development, or TOD, refers to residential and commercial centers designed to maximize access by transit and nonmotorized transportation[1]. A TOD overlay is a floating zone with development regulations that support transit use and create a vibrant neighborhood around a transit station. Usually, the overlay zone extends a "walkable" distance around the station, depending on the type of transit amenity and size of the center. TOD overlays implement some or all of the following characteristics:

Mixed uses
Land uses are mixed and may include shops, job centers, restaurants, public services such as schools and community centers, and a variety of housing choices.

Affordable housing
Mixed-income housing affordable to a range of income, household sizes, and types.

Compact development
Development around station areas is compact, with medium to high densities.

Neighborhood center
Transit station areas are complemented by concentrations of business, civic and cultural activities that support vibrant street life.

Parking management
Parking around transit station areas is limited and requirements are reduced.

Pedestrian and bicycle friendly design
Streets around transit station areas encourage walking and bicycling[2].

TOOL PROFILE

Objectives

Housing in Centers and Near Transit

Type of Tool

Other Regulatory Tools

Project Type

Multifamily

Ownership

Rental

Affordability Level

Market-rate incentives and tools

WHAT ISSUES DO TOD OVERLAYS ADDRESS?

Overlays permit the residential forms and density, mix of uses, and access to transit and amenities required for compact, mixed-use development within existing urban areas.

Creating mixed-use, walkable activity centers

Zoning was created to segregate land uses. TOD overlays work to reverse flaws of the traditional zoning model by allowing different but compatible uses, such as retail, office, and dense residential development, to match unmet demand for new development near high-capacity transit nodes and in transit corridors. TOD overlays also work to promote walkability and compact form by restricting auto-oriented forms, like "drive-thrus" and superblocks. People who live and work within the TOD overlay boundaries are able to walk to neighborhood amenities, reducing car-dependency and transportation costs, improving public health, and creating a lively pedestrian environment. Transit-oriented development is an important component of urban centers.

Leveraging investments in transit by supporting transit and nonmotorized travel

TOD supports transit investments by bringing potential riders closer to transit facilities and increasing ridership[3]. People who live in a TOD community are more likely to commute by transit than other residents. In addition, TOD can significantly reduce per capita motor vehicle travel[4]. This occurs as trips to and from the TOD shift to transit, and transit stations serve as a catalyst for higher density, mixed-use, walkable neighborhoods. Residents of these neighborhoods tend to own fewer cars, drive less, and use transit more than in other locations.

Increasing housing variety and affordability

TOD overlays allow increases in density and floor area ratio that promote dense residential development. PSRC has developed guidance with more information on transit supportive densities and land uses. Mixing uses allows these forms of housing to develop in commercial centers where the underlying zoning would not otherwise permit. Siting housing near transit, employment, services, and amenities can reduce transportation and time costs, making life within the overlay boundaries more affordable. Apart from the cost of housing itself, transportation costs constitute the second greatest expenditure for households[5]. By pairing housing and transportation through TOD, lower income households can live more affordably with reduced transportation costs.

WHERE ARE TOD OVERLAYS MOST APPLICABLE?

An overlay could be applied to the areas surrounding a variety of high-capacity transit nodes and corridors, from a neighborhood bus transfer center to a commuter rail station. The size of the district and degree of development intensity permitted by the district will be tied to the size of the transit center and the types of transit investments. Urban centers are often served by transit hubs and make great places to apply TOD overlays.

WHAT DO I NEED TO KNOW ABOUT IMPLEMENTING TOD OVERLAYS?

A TOD overlay amends the zoning code, and the implementation process is the same as it would be for incorporating other zoning changes. The topics to consider while drafting the overlay ordinance may be unique for your jurisdiction. Creating a community vision and strategic plan are important steps in implementing a TOD. A collaborative visioning process involving local stakeholders engages community members in thinking about what defines a desirable place to live. In addition to identifying key desired neighborhood characteristics, the TOD strategic plan puts in place a policy foundation for future zoning and neighborhood development.

Overlay area

The overlay district should obviously center on the transit hub, but how far should its area extend? A half-mile station buffer is often suggested for major transit amenities and high-capacity transit like light rail, commuter rail, and ferry service. Most people are comfortable walking within this distance for frequent service. For smaller transit improvements or cities, a more compact district, such as a 5minute walking distance or quarter-mile radius, is common.

Development standards

When the overlay district is applied, development may be permitted at intensities and with uses unseen before in your community. Deciding the level of intensity of development and the mix of uses permitted in the overlay district is essential to its functioning and success. Community visioning exercises can provide insight on the mix and intensity of uses that would make a vibrant neighborhood and provide the necessary services for everyday life. Considering the different uses, expressing required densities in terms of floor area ratio instead of units per acre may simplify the development code. Creating a form-based code for the overlay district may also help simplify the code for the areas. Form-based codes are less concerned with the mix of uses in a district than about the experience of a neighborhood and building form. Design guidelines are also wise components of a TOD overlay, ensuring that a cohesive and resident-approved neighborhood develops. Parking reductions are a feature in TOD areas and should be included in your development standards.

Overlays and affordable housing

A TOD overlay will not create any affordable housing on its own, but the overlay ordinance can be crafted to make sure the forms of affordable housing that best suit your community are easily be permitted or incentivized in the TOD area. You can tie other affordable housing development tools to the overlay district such as offering additional incentives for affordable housing construction on properties within the overlay district. Tools that advance affordable housing in TOD overlay zones include density bonuses, inclusionary zoning and development agreements.

Challenges

With the number of competing interests within a TOD, some goals will take time to realize, such as increasing transit ridership, achieving a balance of residential and commercial development, and maximizing pedestrian access to the station[6]. Traditional land use and density conflicts between business interests and resident concerns with parking, noise and traffic may turn some people off from TODs. The desirability of properties within the overlay district may force land prices and housing costs upward and beyond the reach of low-income residents. Community outreach throughout the TOD planning and implementation stage can reveal conflicts within station planning policies, highlighting the difficult logistical and political challenges associated with creating a successful TOD. Ultimately, community outreach throughout the TOD implementation process provides an opportunity to educate the public about TOD and to build consensus with stakeholders about the scale and design standards of development around transit.

MODEL POLICIES, REGULATIONS, AND OTHER INFORMATION

Local Resources

City of Vancouver Washington: Transit Overlay District Code (2020)

King County: TOD Guide (2020)

PSRC: Transit-Supportive Densities and Land Uses (2015)

PSRC: Growing Transit Communities Strategy (2013)

Sound Transit: Transit Oriented Development (2020)

Enterprise Community Partners: Regional Equitable Development Initiative (REDI) Fund (2020)

National Resources

BART: Station Modernization (2020)

Brookings Institute: The Affordability Index: A New Tool for Measuring the True Affordability of a Housing Choice (2006)

Center for Neighborhood Technology: H+T Affordability Index (2020)

Los Angeles County, California: Transit Oriented Districts (2020)

PolicyLink: Transit Oriented Development - Equitable Development Toolkit (2008)

Reconnecting America: TOD and Equity (2011)

Victoria Transport Policy Institute: Transportation Demand Management Encyclopedia (2015)

[1] Litman, Tod. "Transit Oriented Development: Using Public Transit to Create More Accessible and Livable Neighborhoods," TDM Encyclopedia. Victoria Transport Policy Institute, 2008.

[2] Seattle Department of Transportation, "Case Studies of Transit Oriented Development: Introduction."

[3] Litman, Tod. "Transit Oriented Development: Using Public Transit to Create More Accessible and Livable Neighborhoods," TDM Encyclopedia. Victoria Transport Policy Institute, 2008.

[4] Cambridge Systematics, "The Effects of Land Use and Travel Demand Management Strategies on Commuting Behavior", Travel Model Improvement Program, USDOT, 1994.

[5] Center for Neighborhood Technology. "H+T Index," 2012. Accessed at: http://htaindex.cnt.org/

[6] Belzer, Dena et al. "The Transit-Oriented Development Drama and its Actors." *The New Transit Town: Best Practices in Transit Oriented Development.* Ed. Hank Dittmar & Gloria Ohland, Island Press, 2004. Pg. 45.