

Annotated Reference Guide to Financing Options for Transit Oriented Planning and Development

While there is a wide range of guidance available on the subject of TOD, financing options for planning and development surrounding high-capacity transit stations takes considerably more research since each project and local jurisdiction pose unique site specific and regulatory challenges.

Case studies from TOD projects reveal that some of the essential factors for successful development (with financing strategies for each element) include:

- community engagement,
- station area plans,
- regulatory reform measures to increase residential densities and provide incentives for high quality urban design,
- infrastructure investments that support multimodal connections to the station and community amenities,
- availability of capital markets as well as innovative financing programs for affordable housing subsidies,
- land banking mechanisms,
- supportive transit agencies, and
- public private partnerships which can yield agreements on financing, shared parking, ground leases, and development agreements.

The goal of this reference guide is to provide an overview of what sources should be considered by transit providers, government agencies with land use and financing authority, private sector businesses and non-profit organizations to improve successful economic development outcomes.

Federal Financial Policies, Programs and Mechanisms

- Federal Transit Administration Policies, programs and financing—
<https://www.transit.dot.gov/TOD>
- Federal Opportunity Zones— <https://todresources.org/blog/opportunity-zones-and-transit-oriented-development/>
- Federal Transportation Infrastructure Finance and Innovation Act (TIFIA)—
<https://www.transportation.gov/buildamerica/TOD>

- Federal Railroad Rehabilitation and Improvement Financing (RRIF) – <https://www.transportation.gov/buildamerica/financing/rrif>
- Environmental Protection Agency Infrastructure Financing options— https://www.epa.gov/sites/default/files/2014-02/documents/infrastructure_financing_options_for_transit-oriented_development.pdf
- Department Of Housing and Urban Development: Low Income Tax Credits – <https://www.huduser.gov/portal/datasets/lihtc.html>

State Financial Policies, Programs and Mechanisms

- Washington Housing Finance Commission – <https://www.wshfc.org/mhcf/index.htm>
- Washington State HOME Development and Housing Trust Fund – <https://www.commerce.wa.gov/building-infrastructure/housing/housing-trust-fund/>
- Tax Increment Financing and LIFT – <https://mrsc.org/Home/Explore-Topics/Economic-Development/Financing-Economic-Development/Tax-Increment-Financing.aspx>
- Washington Public Facilities Districts – <https://mrsc.org/Home/Explore-Topics/Economic-Development/Financing-Economic-Development/Public-Facilities-Districts.aspx>

Private, Regional, County and Local Incentives for TOD

Corporate Incentives

- Amazon Contributions to Affordable Housing – <https://www.aboutamazon.com/news/community/amazon-commits-another-28-5-million-for-local-affordable-housing>
- Microsoft Contributions to Affordable Housing— <https://news.microsoft.com/affordable-housing/>

Impact Investors

- <https://www.multiphasingnews.com/social-impact-investors-target-naturally-occurring-affordable-housing/>
- <https://www.capitalimpact.org/focus/affordable-housing/>
- <https://www.craft3.org/Invest/overview>
- Enterprise Community Partners and Community Development Financial Institutions – <https://www.enterprisecommunity.org/capabilities/community-development-financial-institution>
- Community Reinvestment Act – https://www.federalreserve.gov/consumerscommunities/cra_about.htm

- Multi-Family Tax Exemption – <https://www.commerce.wa.gov/serving-communities/growth-management/growth-management-topics/planning-for-housing/multi-family-housing-property-tax-exemption-program/>
- Regional Equitable Development Initiative (REDI) Fund—
<https://kingcounty.gov/~media/depts/community-human-services/housing-homelessness-community-development/documents/redi/REDI-Fund.ashx?la=en>
- Sound Transit’s Revolving Loan Fund (still under development) –
<https://www.soundtransit.org/system-expansion/creating-vibrant-stations/transit-oriented-development/revolving-loan-fund>
- Sound Transit’s Transit Oriented Development Policies –
https://www.soundtransit.org/st_sharepoint/download/sites/PRDA/FinalRecords/2018/Resolution%20R2018-10.pdf
- Sound Transit Joint Development or Integrated Development –
<https://www.soundtransit.org/sites/default/files/documents/submitted-proposal-for-transit-oriented-development.pdf>
- Local Improvement Districts – <https://mrsc.org/Home/Explore-Topics/Public-Works/Finance/Local-Improvement-Districts.aspx>
- King County Financing Reference list for Housing Funding sources –
https://kingcounty.gov/~media/depts/community-human-services/housing-homelessness-community-development/documents/affordable-housing-committee/Meeting_07-22-2020/New_and_Untapped_Revenue_Sources.ashx?la=en
- Forterra Cooperative Housing Program – <https://forterra.org/projects/cooperative-housing/>