

## SPARCC ISSUE SPOTLIGHTS

*These briefs provide an overview of the current landscape of policies, practices and literature on issues related to SPARCC's work.*

### Lighting a SPARCC Under Equitable Transit-Oriented Development

Across the country, regions are stepping up to invest in new rail lines, streetcars, and bus rapid transit systems. [Voters from politically diverse regions have approved local transit funding measures<sup>i</sup>](#) to expand or launch improved transit service. Accompanying the resurgence in transit investment and expansion has been growing demand for more urban, walkable, and mixed-use neighborhoods with a focus on equity. These are all attributes of a healthy community, with transit often viewed as an intervention that can help improve health outcomes of local residents and create regional environmental and transportation benefits. Public transportation produces significantly fewer greenhouse gas emissions (GHG) per mile than private vehicles. National studies find that [light rail systems produce 63% less GHG and bus transit produces 33% less GHG.<sup>ii</sup>](#) Further climate benefits accrue when development is located and designed to support more walking, bicycling and transit use. This type of development also offers [a price premium.<sup>iii</sup>](#) More employers want [to locate headquarters near transit<sup>iv</sup>](#) as we've seen with such companies as State Farm, Target, and Amazon -- all choosing to leave suburban locations. Development located within a ½ mile of a high-frequency transit stop or station is generally referred to as [Transit-Oriented Development \(TOD\).<sup>v</sup>](#)

The compounding benefits of TOD make it a smart investment for individuals, institutions, and investors. As TOD has gained market traction, and local elected officials increasingly see it as an important tool for economic and community development, the conversation has evolved from convincing communities to embrace TOD to addressing its potential consequences, including acceleration of [gentrification pressures and displacement of local residents and businesses<sup>vi</sup>](#) faced with rising housing values and rents. While some

#### TOD Benefits

TOD that prioritizes the preservation and creation of housing, schools, jobs, and health services around rapid bus and rail transit, and redesigns communities to support more walking, compact development and a greater mix of uses, has been shown to:

- Strengthen resiliency of the labor force and expand access to regional jobs
- Limit sprawl and associated costs of additional public service delivery
- Boost transit ridership and reduce commute times
- Encourage more walkability thereby reducing household transportation costs and increasing health benefits.
- Minimize the impacts of traffic congestion and limit greenhouse gas emissions
- Spur economic development and increase adjacent property values.
- Reduces overall cost of living for households by helping to lower transportation costs associated with automobile ownership.

communities struggle to attract new development around existing transit, others are experiencing rapid residential, commercial, and cultural transformation. In both cases, advocates are galvanizing around strategies that give a stronger voice to the community in shaping TOD projects and policies to revitalize neighborhoods without displacement.



Past TOD efforts failed to adequately consider the larger structural and institutional barriers, especially around race, that created unequal access to capital and decades of disinvestment in communities of color. TOD’s focus on new development meant little attention was given to preservation and tenant protection strategies or predatory lending. Many TOD station area plans focused on bringing new amenities and new residents to communities rather than building upon existing assets and strengthening

existing community services such as clinics, daycare centers, workforce development training, arts and culture institutions.

Equitable TOD (eTOD) tries to correct these gaps and emphasizes transit’s role in serving communities and prioritizes the needs of those who rely on transit. This includes broadening the definition of TOD to include issues of racial equity, community health, access to economic opportunity, and environmental goals. Where some early eTOD efforts focused on affordable housing, including policies requiring no net loss in subsidized housing, newer eTOD efforts take a broader view of displacement including cultural and economic displacement and centralize greater community engagement. There is now more of a realization that without the specific intention on those most impacted and vulnerable in a community—infrastructure investment can perpetuate racial and economic inequities. An equity and justice centered approach must be at the core of eTOD planning and investments, to ensure that past inequities are accounted for and collectively leverage transit to benefit existing and future residents. Strategies that keep residents in place such as strong tenant protections and enhanced renter rights, must be a part of the tools to ensure TOD benefits existing residents.

### **Moving Towards Equitable Transit-Oriented Development**

For transit-oriented development to serve all residents in a community, it must include equity at every step in the process, from transit design and planning to construction and operations. eTOD done well elevates and prioritizes community voice whether in efforts to avoid or stop displacement of community residents, local businesses, and cultural assets or to ensure that transit is affordable, reliable, and accessible. It also supports investments and policies that close the socioeconomic gaps between communities in which the majority of residents are people of color and those that are majority white.

eTOD includes a mix of housing, jobs, neighborhood stores, schools, community health centers, and other amenities that serve the needs of low- and moderate-income people. The preservation and creation of

dedicated affordable housing is a primary approach to eTOD, providing not only equity benefits but also transportation benefits. Consider the following facts:

- Historically, lower-income households drive **25-30%** fewer miles when living within a half-mile of transit than those in non-TOD communities, meaning less traffic congestion.
- Conversely, higher-income households drive more than twice as many miles and own more than twice as many vehicles as extremely low-income households living within ¼ miles of frequent transit.
- When low-income households are pushed out of transit-served neighborhoods there is a direct impact on their ability to reach jobs, schools, and health care and they are forced to make difficult trade-offs between transportation and other expenses.<sup>1</sup>

Transit agencies are seeing the impacts of displacement. Ridership in regions such as [Los Angeles](#)<sup>vii</sup> and [Portland](#)<sup>viii</sup> – where transit expansion is occurring – is declining as large numbers of low-income residents are pushed out of transit-served neighborhoods. In older systems such as those found in [Chicago](#)<sup>ix</sup> and [Washington DC](#),<sup>x</sup> ridership declines are even more extreme. This begs the question for whom and by whom is new transit and new housing being designed? And what are the impacts when those who rely on transit can no longer afford to live near transit?

To fully capture the benefits of transit-oriented development, communities must design for those groups that most actively use public transportation. This includes low-income families and individuals, who spend between **54 and 59 percent**<sup>xi</sup> of their gross income on housing and transportation, as well as the sick and disabled and those without a home. **By tackling housing and transportation costs simultaneously—while expanding access to jobs, educational opportunities, and prosperity, we can improve the opportunities for safe, healthy, and rewarding lives for all.**

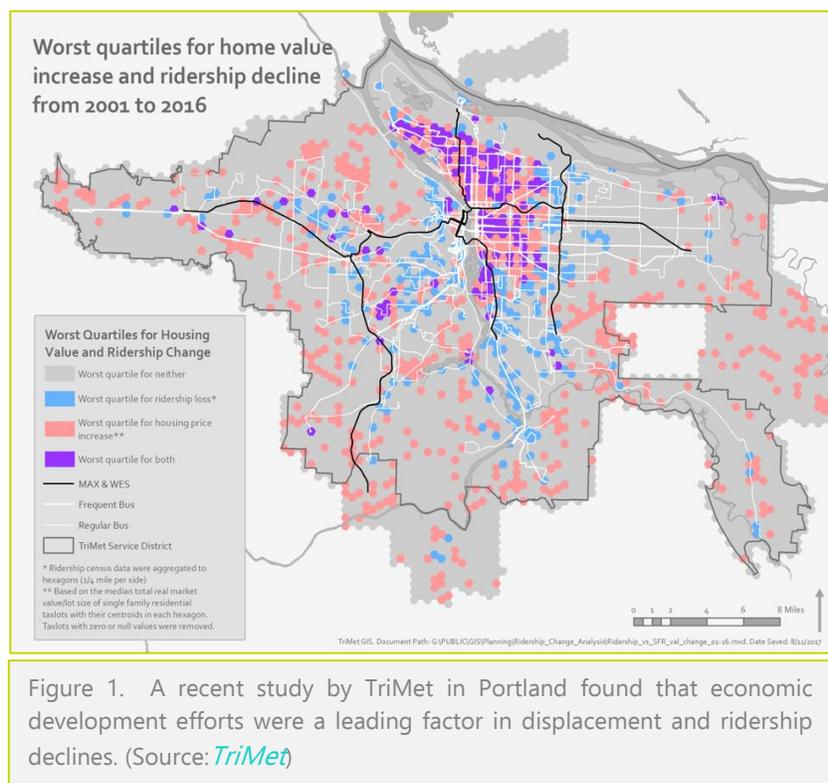


Figure 1. A recent study by TriMet in Portland found that economic development efforts were a leading factor in displacement and ridership declines. (Source: [TriMet](#))

<sup>1</sup> These benefits, along with many others, are described in TOD University curriculum developed by Enterprise Community Partners at <https://www.enterprisecommunity.org/tag/solutions/transit-oriented-development>

## From Catalytic to Transformative Investment

Successful eTOD requires planning not just for transit but for how this type of catalytic investment will advance larger community needs including affordable housing, workforce and small business development, improved community health outcomes, and environmental clean-up. **Achieving equitable outcomes involves an inclusive planning process during the transit planning and community development phases.**

This entails long-term and active engagement and ownership of the process by a diverse set of community partners, and a commitment to equity in implementation so that good intentions are not just plans and visions, but actions and reality.

*SPARCC regions are at the forefront of this transformation.*

### Chicago, Illinois

**Elevated Chicago**<sup>xii</sup> formed to promote racial equity, prosperity, and resilience in Chicago communities by using eTOD as the catalyst for change. The collaborative is focused on neighborhoods adjacent to transit stations along the Green, Pink, and Blue Lines of the Chicago Transit Authority system. **Elevated Chicago is tackling eTOD challenges**<sup>xiii</sup> in places like the Logan Square neighborhood, where rising property values are displacing residents and businesses and land acquisition resources are needed, and in South Chicago neighborhoods adjacent to the Garfield and Cottage Grove stations, where despite access to transit, disinvestment exacerbates poor health, employment, and educational outcomes. In partnership with the Metropolitan Planning Council, Elevated Chicago is building the capacity of local groups to **evaluate development scenarios**<sup>xiv</sup>, conduct racial equity assessments and **deploy eTOD cost calculators**.<sup>xv</sup> Additionally, the Metropolitan Planning Council released groundbreaking research on the economic, human and social **cost of segregation**<sup>xvi</sup> and followed up with **a roadmap**<sup>xvii</sup> for a more equitable and thriving Chicago region.

### Atlanta, Georgia

Members of **Atlanta’s Transformation Alliance**<sup>xviii</sup> developed the “**Equity Evaluator**”<sup>xix</sup> tool to evaluate the impact of proposed developments to community goals such as increased access to economic opportunity and minimizing displacement. Project financing barriers to build mixed-income communities are being addressed by leveraging innovative new funding sources and **SPARCC capital funds**<sup>xx</sup>. The Lee Street corridor, from the West End MARTA station to the Oakland City MARTA station, is a focus for testing new development approaches oriented toward achieving equity, health, and environmental outcomes. The Alliance is advocating for a **Living Transit Fund**<sup>xxi</sup> to finance affordable housing near transit.



**Denver, Colorado**

In Denver, the [Mile High Connects partnership](#)<sup>xxii</sup> has worked for many years to advance eTOD tools such as deploying one of the nation’s first transit-oriented development acquisition funds. Through [SPARCC](#)<sup>xxiii</sup>, regional partners are piloting a [new Accessory Dwelling Unit program](#)<sup>xxiv</sup> to help low-income residents continue living in gentrifying neighborhoods and leverage home ownership to create additional housing opportunities within the community. The partnership is also leading an [Affordable Fares campaign](#)<sup>xxv</sup> with the Regional Transit District to ensure that riding the region’s expanding transit network remains affordable to those who rely on it to reach jobs, education and health care opportunities, and connect with friends, family and the area’s many amazing parks, trails and the international airport.

**Los Angeles, California**

Across the **Los Angeles region**, SPARCC is supporting cross-collaboration between [the California Community Foundation, LA Thrives, and the Alliance for Community Transit Los Angeles](#)<sup>xxvi</sup> to ensure that regional transit expansion benefits existing communities and residents. Partners have worked with public agency partners to revise policies and ensure [commitments to affordable housing](#)<sup>xxvii</sup>. Metro, the regional transit agency, adopted a goal that 35% of total housing units in its joint development portfolio are affordable to households earning 60% of area median income. Partners are advocating for improved tenant protections and other strategies that ensure development happens without displacement in Inglewood, Long Beach and Watts communities. Additionally, through partnerships with labor groups and other partners, ACT-LA helped to pass the [Transit-Oriented Communities \(TOC\) Affordable Housing Incentive Program](#)<sup>xxviii</sup> to increase affordable housing near transit—one outcome of Measure JJJ. After just 6 months, more than 700 affordable units—many of them extremely low income—have been proposed under the TOC policy.

**San Francisco Bay Area, California**

The **San Francisco Bay Area** benefits from one of the country’s most extensive transit systems yet is also one of the nation’s least affordable regions. [SPARCC is supporting the Bay Area For All](#)<sup>xxix</sup> collaborative of housing, equity, transportation and community advocates, philanthropy, community development nonprofits, and health sector partners to push for stronger regional policies to promote eTOD as part of the region’s affordable housing solution. This includes work with the Bay Area Rapid Transit, Alameda County Transit, and other public agency partners to accelerate and ease the use of [publicly-owned lands for housing](#)<sup>xxx</sup>. Passage of statewide [Climate legislation \(SB 375\)](#)<sup>xxxi</sup> creates not only a regulatory imperative but also new financing tools for California communities to consider linkages between GHG emissions and eTOD solutions.



*Additional examples are highlighted in the accompanying eTOD Implementation fact sheet, with a list of resources provided at the end. SPARCC’s eTOD materials were developed by [MZ Strategies, LLC<sup>xxxii</sup>](#). All photos are courtesy of Transformation Alliance, Elevated Chicago, Mile High Connects, LA THRIVES and ACT LA, or Bay Area for All.*

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- <sup>i</sup> <http://cfte.org/>
  - <sup>ii</sup> <https://www.transit.dot.gov/regulations-and-guidance/environmental-programs/transit-environmental-sustainability/transit-role>
  - <sup>iii</sup> <http://www.reconnectingamerica.org/assets/Uploads/cpatransport2.pdf>
  - <sup>iv</sup> <http://t4america.org/2015/03/16/state-farm-is-moving-to-concentrate-thousands-of-employees-in-locations-near-transit/>
  - <sup>v</sup> <https://www.transit.dot.gov/tod>
  - <sup>vi</sup> [http://www.frbsf.org/community-development/initiatives/gentrification-and-displacement/?utm\\_source=verticalresponse&utm\\_medium=email&utm\\_campaign=gentrification-and-displacement](http://www.frbsf.org/community-development/initiatives/gentrification-and-displacement/?utm_source=verticalresponse&utm_medium=email&utm_campaign=gentrification-and-displacement)
  - <sup>vii</sup> <http://magazine.ucla.edu/features/neighborhood-watching/>
  - <sup>viii</sup> <https://www.planetizen.com/news/2017/11/95839-study-economic-displacement-bad-transit-ridership>
  - <sup>ix</sup> [https://www.washingtonpost.com/local/trafficandcommuting/falling-transit-ridership-poses-an-emergency-for-cities-experts-fear/2018/03/20/ffb67c28-2865-11e8-874b-d517e912f125\\_story.html?utm\\_term=.dc3784dc07e9](https://www.washingtonpost.com/local/trafficandcommuting/falling-transit-ridership-poses-an-emergency-for-cities-experts-fear/2018/03/20/ffb67c28-2865-11e8-874b-d517e912f125_story.html?utm_term=.dc3784dc07e9)
  - <sup>x</sup> [https://www.washingtonpost.com/local/trafficandcommuting/falling-transit-ridership-poses-an-emergency-for-cities-experts-fear/2018/03/20/ffb67c28-2865-11e8-874b-d517e912f125\\_story.html?utm\\_term=.dc3784dc07e9](https://www.washingtonpost.com/local/trafficandcommuting/falling-transit-ridership-poses-an-emergency-for-cities-experts-fear/2018/03/20/ffb67c28-2865-11e8-874b-d517e912f125_story.html?utm_term=.dc3784dc07e9)
  - <sup>xi</sup> <http://kff.org/medicaid/issue-brief/health-care-spending-among-low-income-households-with-and-without-medicaid/>
  - <sup>xii</sup> <http://www.elevatedchicago.org/wp-content/uploads/2017/12/ElevatedChicagoBrochure.pdf>
  - <sup>xiii</sup> <http://www.sparcchub.org/communities/chicago/>
  - <sup>xiv</sup> <http://www.metroplanning.org/work/project/30/subpage/3>
  - <sup>xv</sup> <https://www.cnt.org/tools/etod-social-impact-calculator>
  - <sup>xvi</sup> [http://www.metroplanning.org/costofsegregation/default.aspx?utm\\_source=%2fcostofsegregation&utm\\_medium=web&utm\\_campaign=redirect](http://www.metroplanning.org/costofsegregation/default.aspx?utm_source=%2fcostofsegregation&utm_medium=web&utm_campaign=redirect)
  - <sup>xvii</sup> [http://www.metroplanning.org/costofsegregation/roadmap.aspx?utm\\_source=%2froadmap&utm\\_medium=web&utm\\_campaign=redirect](http://www.metroplanning.org/costofsegregation/roadmap.aspx?utm_source=%2froadmap&utm_medium=web&utm_campaign=redirect)
  - <sup>xviii</sup> <https://atltransformationalliance.org/our-work/>
  - <sup>xix</sup> [http://transalliance.wpengine.com/wp-content/uploads/TFA\\_Project-Evaluator\\_Scorecard-and-Worksheet\\_MARTA\\_7.6.15.xls](http://transalliance.wpengine.com/wp-content/uploads/TFA_Project-Evaluator_Scorecard-and-Worksheet_MARTA_7.6.15.xls)
  - <sup>xx</sup> <http://www.sparcchub.org/communities/atlanta/>
  - <sup>xxi</sup> <http://www.atlantaregionalhousing.org/wp-content/uploads/2017/06/LivingTransitFund-June2017Forum.pdf>
  - <sup>xxii</sup> <http://milehighconnects.org/projects/>
  - <sup>xxiii</sup> <http://www.sparcchub.org/communities/denver/>
  - <sup>xxiv</sup> <https://www.denverpost.com/2017/11/29/home-values-spiking-west-denver-are-hundreds-of-backyard-cottages-affordability-solution/>
  - <sup>xxv</sup> <http://milehighconnects.org/update-on-affordable-fares/>
  - <sup>xxvi</sup> <http://www.sparcchub.org/communities/los-angeles/>
  - <sup>xxvii</sup> [https://www.metro.net/projects/joint\\_dev\\_pgm/](https://www.metro.net/projects/joint_dev_pgm/)
  - <sup>xxviii</sup> <https://urbanize.la/post/here-are-transit-oriented-communities-guidelines>
  - <sup>xxix</sup> [https://www.metro.net/projects/joint\\_dev\\_pgm/](https://www.metro.net/projects/joint_dev_pgm/)
  - <sup>xxx</sup> [https://www.metro.net/projects/joint\\_dev\\_pgm/](https://www.metro.net/projects/joint_dev_pgm/)
  - <sup>xxxi</sup> [http://www.leginfo.ca.gov/pub/07-08/bill/sen/sb\\_0351-0400/sb\\_375\\_bill\\_20080930\\_chaptered.pdf](http://www.leginfo.ca.gov/pub/07-08/bill/sen/sb_0351-0400/sb_375_bill_20080930_chaptered.pdf)
  - <sup>xxxii</sup> <http://mzstrategies.com/>