TRANSIT ORIENTED DEVELOPMENT

CONFERENCE AND WORKSHOP ON
TOD FINANCING IN INDIAN CITIES – CHALLENGES AND OPPORTUNITIES

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TOD Concept

“Moderate and high-density housing, along with complementary public uses, jobs, retails and services, are concentrated in mixed-use developments at strategic points along the regional transit system.”

- Peter Calthorpe, The Next American Metropolis, 1993
What is TOD?

TOD is essentially any development, macro or micro that is focused around a transit node, and facilitates complete ease of access to the transit facility, thereby inducing people to prefer to walk and use public transportation over personal modes of transport. (MPD-2021).
TOD Principals

High Density, Mixed-use, Mixed-Income Development near stations

Pedestrian & Non-Motorized Transport (NMT) Friendly Environment (Walking & bicycling)

Multi-Modal Interchange and Inducing Modal Shift (Public Transport; cycling & pedestrian priority)

Place making and Ensuring Safety (Active edges & Public spaces)

Connectivity and Network Density (Travel Demand Management)
Why TOD for India?
10+ cities are opting for metro rail.

7+ opting for BRT.

Existing policy frameworks recognizes TOD as key development tool e.g. statutory documents like Master Plans e.g. MPD-2021, Ahmedabad Master Plan, NUTP mandates Integrated land use and transport planning, national level guidelines like URDPFI guideline 2014.
Increase in Urban Footprint of Bangalore (1990 to 2015)
Increase in Urban Footprint of Bangalore (2005 - 06 to 2011-12)

- Increase in urban area from 2006 to 12 for Bangalore
- Map indicates an increase of 13 sqkms / year in the municipal area
- 29 sq kms/year in the development authority area
- 60 sq kms / year in the regional authority area

Source: Land Use and Land Cover (50K) 2005-06 - 2011-12, NRSC – ISRO, BBMP, BMRDA
Global TOD models
Co-development model to begin with, focused on leveraging real estate around transit to create funds for development.
How does R+P model work

1. MTRC + State Agreement
   - Construction cost assessments
   - Land premium negotiated
   - Project sanctioned
   - Tender development

2. MTRC confers property rights
   - MTRC has design + construction oversight
   - Developers pay land premium + development costs
   - Project construction

3. Profit sharing
   - Profit sharing between all parties – MTRC / State / Developers
### Chicago

<table>
<thead>
<tr>
<th>Regional Authorities</th>
<th>Regional Transit Authority</th>
<th>Planning</th>
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<tbody>
<tr>
<td>Functions</td>
<td>Planning and oversight of mass transit* (and operation of some lines)</td>
<td>Comprehensive regional planning since 2006, looking at issues including land use and transport integration, housing, economic development etc.</td>
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<td>Supports TOD related plans + funding such programs in the Chicago region since 1998</td>
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<td>Provides funding** for a variety of projects in stations areas under its Community Planning Program initiative, including TOD studies for communities, zoning code updates, master planning for station areas etc</td>
<td>Can create a regional development vision and has authority on the distribution of federal funds. There has been an increased focus on TOD and linked transit, housing and land use</td>
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**Notes**

* CTA (bus+ elevated rail+ subway)/ Metra (Commuter suburban rail) / Pace (paratransit+ bus)
** RTA guidelines on TOD, zoning etc cannot be enforced by RTA on communities
Portland

State of Oregon

Regional Agencies

Metro
(Metropolitan planning agency)

Tri-Met
(Regional transit agency)

Funding between agencies

Urban Growth Boundary (UGB), 1979
Transportation Planning Rule, 1991 followed by “2040 Growth Concept”
Transportation & Growth Management Program, 1993

Regional Growth Management, 1994

TOD Tax and Fee Exemptions

TOD Tax Exemption, 1995
Questions

- How to remove barriers and mainstream TOD?
- How to ensure equitable and inclusive TOD?
- How to utilize land value capture and other financing mechanisms to enable TOD?