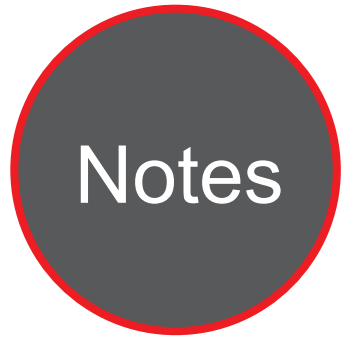




Caltrans Division of Research,  
Innovation and System Information

# Research



# Notes



Executive

OCTOBER 2019

Project Title:  
Local Finance And Planning  
Mechanisms For Transit-Oriented  
Development, Transit, And Active  
Transport

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## Local Finance And Planning Mechanisms For Transit-Oriented Development, Transit, And Active Transport

Financing strategies of California localities to support transit-oriented development (TOD) and provision of transit and active transport (AT) facilities.

### WHAT IS THE NEED?

With dissolution of redevelopment authorities in 2012, California localities lost a key financing tool for downtown development. Recently, localities have received new authority for developing local infrastructure financing districts. Requirements for environmental review and mitigation of transport-related impacts of development have been changed in ways that may prompt cities to revisit transportation funding methods. New state programs direct more funds toward transit/active transport (AT) and transit-oriented development (TOD), even as state goals for environmentally-efficient development have been made more ambitious.

Policymakers need to understand how and whether localities are developing effective financing and planning strategies for TOD/transit/AT. Systematic research on this topic is lacking, for example, on the extent of local adoption of development impact fees for multimodal transport.

### WHAT ARE WE DOING?

This project will address the question by:

- Identifying common TOD/transit/AT financing tools-in-use;
- Conducting a survey and interviews with local planners;
- Analyzing findings in connection to characteristics and motivations distinguishing localities; and
- Assessing financing and planning strategies more intensively in case study cities useful for considering best practices.



DRISI provides solutions and  
knowledge that improves  
California's transportation system

This project will evaluate financing strategies of California localities to support TOD and provision of transit and AT facilities.

Through an on-line survey of local planners in the state's four largest metropolitan areas, data analysis of survey results in conjunction with publicly available data on community characteristics, and interviews with practitioners and experts on local TOD/transit/AT planning and finance, the researchers will identify common financing tools-in-use, analyze local preferences for adopting different finance mechanisms in connection to characteristics and motivations distinguishing localities, and consider how recently adopted state and regional programs and grants of authority for local infrastructure financing are influencing local choices.

## WHAT IS OUR GOAL?

The goals of the research are to evaluate how and whether localities develop financing strategies for TOD/transit/AT amenities, how choices differ according to community type, and how recent relevant state and regional programs and policies are influencing local choices.

The research project will result in a primary, final deliverable in the form of a report that evaluates how and whether localities in California's four largest metropolitan areas are devising financing strategies to promote TOD/transit/AT, and how and whether recently adopted state and regional policies and programs, including cap-and-trade funded programs, Senate Bill (SB) 1 funds, and regional programs pursuant to SB 375, are influencing local finance choices.

Expected findings include some variation in adopted local finance strategies reflecting differences in community type and growth goals, and some influence of recently adopted state and regional programs and policies in inducing adoption of local finance strategies that support environmental efficiency and equity benefits,

in line with state policy and program goals for sustainable development.

Expected findings of the case study research also include perceived local benefits from careful crafting of strategies for connecting/integrating transit and AT finance with land use regulations, including applied conditions of local development project approval, to support efficient transport (e.g. through adoption of transportation demand management ordinances).

## WHAT IS THE BENEFIT?

Benefits of this project to California Department of Transportation and other policymakers will derive from greater understanding gained about how and whether localities craft strategies for promoting TOD/transit/AT, and how state and regional policy and program mechanisms for supporting TOD/transit/AT are influencing local choices.

Understanding this state/regional influence will aid policymakers in evaluating effectiveness of current policy and program mechanisms, and in considering how these mechanisms might be improved. The findings should be of interest to scholars and practitioners of sustainable development planning outside of California as well as within the state, in identifying effective finance approaches for promoting TOD/transit/AT.

## WHAT IS THE PROGRESS TO DATE?

- Survey implementation: the research team has implemented the on-line survey of city planning directors in California's four largest metropolitan regions. They have already exceeded the goal for response rate (30%), having received 115 completed surveys out of 33 cities that contacted (35%).
- Data analysis: the researchers have developed programs to conduct statistical

- analysis of the survey response data.
- Case studies: The project team has been working to complete three case studies for policy leader cities (San Francisco, Sacramento, and Los Angeles).

More information:

NCST Research Project Website:  
<https://ncst.ucdavis.edu/project/local-finance-and-planning-mechanisms-transit-oriented-development-transit-and-active>