

Getting to TRID

Transit Revitalization Investment Districts Planning and Implementation of Act 238 of 2004

**A Training Program Provided by the
Pennsylvania Department of Community
and Economic Development (DCED)**

**February/March
2006**

Getting to TRID

Course Outline

- ◆ Housekeeping Items/Introduction
- ◆ What is TOD? and What can TOD do?
- ◆ Summary of TRID: Act 238 (Ch. 1 and 3)
- ◆ Roles and Responsibilities of TRID Partners
- ◆ Break
- ◆ Summary of TRID: Act 238 (Ch. 5, 7, 9)
- ◆ TOD Plan Case Study Summary
- ◆ TRID Model Agreements
- ◆ DCED's TRID Funding and LUPTAP Application Process
- ◆ General Questions & Answers

Getting to TRID

Housekeeping Items/Introductions

- ◆ Sign-in Sheet
- ◆ Coffee/Snacks/Break
- ◆ Restrooms
- ◆ Agenda and Schedule
- ◆ Course Completion Certificates
- ◆ Introduction of Instructors/Resource Materials
- ◆ Questions?
- ◆ Self-Introductions by Attendees

Getting to TRID

What is TOD?

- ◆ Transit-Oriented Development (TOD): Mixed use, pedestrian scale real estate development oriented around and to a rail or transit station, transit stop or transportation center (usually within a $\frac{1}{4}$ mile radius) that promotes transit ridership.
- ◆ TOD involves a two-way relationship: The proximity and connections to transit attract development and new development supports and enhances transit ridership.
- ◆ TOD is NOT Transit-Adjacent Development (TAD), which does not provide an orientation or direct connections to transit, even though it has general proximity.

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What are Potential TOD Benefits?

TOD can Support/Encourage/Attract:

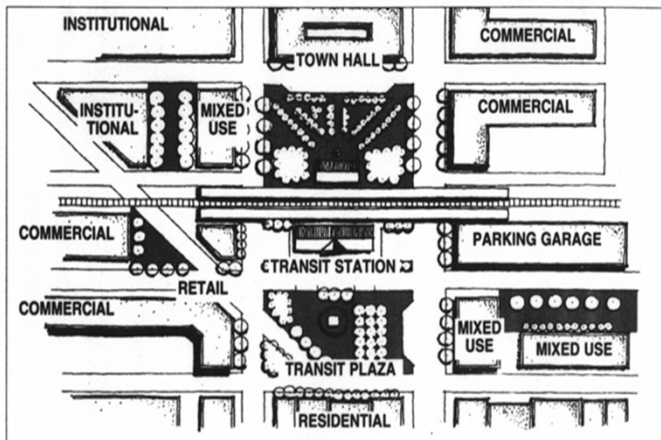
- ◆ Comprehensive Plan implementation (creating or reinforcing centers, revitalizing communities, curtailing sprawl)
- ◆ Downtown/Main Street revitalization programs
- ◆ Existing or proposed public transit systems
- ◆ Reduced highway system congestion
- ◆ Walking and bicycling
- ◆ New real estate investment

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What are Potential TOD Benefits?

- ◆ TOD Can create or reinforce greater community identity
- ◆ Can attract private sector investment and public-private partnerships
- ◆ Links land use and transportation to promote *Smart Growth*
- ◆ Supports environmental goals of reducing mobile source air pollutants and gasoline consumption
- ◆ Is a new tool to promote positive community change

Transit-Oriented Development: Growing Interest



- Increased automobile congestion
- Changing demographics - young and old moving into cities and boroughs
- More choices in downtown housing types
- Rising land values encourage mixed use and compact development
- More acceptance of “smart growth” by the public
- Land use/transportation linkage advocated by federal agencies and state governments



Typologies of Transit and Land Use

- **TAD, or Transit Adjacent Development:**
Development that is physically near transit but fails to capitalize on this proximity; does not promote ridership
- **TOD, or Transit-Oriented Development:**
Land uses that generate trips; typically moderate to high density, mixed use, compact, pedestrian-friendly
- **TJD, or Transit Joint Development:**
Public transit agency-private partnership; development that shares costs or revenues between transit agency and developer



What Land Uses Are Transit Supportive?



- Convenience goods & service needs
- Uses that entertain, create day and night activity on the street
- Limit uses that interrupt the flow of interesting, pedestrian-generating, continuous storefronts:
 - Auto-Oriented Uses
 - Big Box or Warehousing



TOD and Healthy Communities

- Supports “smart growth” by minimizing need for road and sewer expansions
- Creates new town center or reinforces existing centers
- Provides walking opportunities
- Improves air quality at regional level
- Promotes trip chaining (reduces VMT)
- Increases land and home values
- Increases continuous activity (through mixed use development), resulting in less opportunity for crime
- Encourages “less car, more house”



Strategies for Successful TOD**

- Make It Better with a Vision
- Apply the Power of Partnership
- Think Development When Thinking About Transit
- Get The Parking Right
(Move it, share it, deck it, wrap it)
- Build A Place, Not a Project
- Make Retail Development Market Driven, Not Transit Driven
- Mix Uses, but Not Necessarily in the Same Place
- Make Buses A Great Idea
- Encourage Every Price Point to Live Around Transit
- Engage Corporate Attention



Station Square: SEPTA R5 Pennbrook Station



Station Square: SEPTA R5 Pennbrook Station



- **\$55 million TOD, built by Dewey Commercial, design by Barton & Associates**
- **Upper Gwynedd and Lansdale**
- **34-acre site:**
 - **346 rental apartments (1-3 br)**
 - **50,000 sq. ft. of retail & commercial**
 - **31 buildings**
 - **3 village greens**
 - **Density of 10 du/acre**
- **Former home of electric factory, was Superfund site**
- **Broke ground Oct. '05, 2 years to complete**
- **Rents are \$1,100-\$2,100/mo.**



Getting to TRID

- ◆ Questions?
- ◆ Comments?

Getting to TRID

What is TRID?

- ◆ The Transit Revitalization Investment District Act (TRID) is *new enabling legislation*
 - Act 238 of 2004
 - Effective February 2005
- ◆ TRID offers *municipal officials, transit agencies and the development community* a “how-to-do-it” approach (with flexibility and options) to: Plan for TOD and Implement TOD
- ◆ TRID is not mandatory, but offers the prospect of state funding support for planning and implementation, if communities use it

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What can TRID do?

- ◆ TRID offers *communities* a new tool to:
 - Foster community and neighborhood revitalization
 - Support local economic development goals
 - Help shape local development patterns
- ◆ TRID offers *transit agencies* the opportunity to:
 - Partner with local governments and developers to advance TOD
 - Increase transit ridership
 - Share in real estate tax revenues to support capital projects and maintenance in TRID areas

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What TRID Provides

- ◆ **Flexibility:** TOD Around Bus or Rail Facilities and in Revitalization or Growth Area Settings
- ◆ **Planning Study:** Supports Rationale, Proposed Improvements and Boundaries of TRID Area
- ◆ **Value Capture:** Share of New Tax Revenues Reinvested in TRID Area Improvements
- ◆ **Leveraging Benefits:** Encourages Use of Existing, Supportive Laws and Programs
- ◆ **Partnerships:** Multi-Municipal, County, School District, Transit Agency, Private Sector
- ◆ **Public Involvement:** in TRID Area Plan and Implementation Program

Getting to TRID

Overview: What is the TRID Process?

- ◆ There are three distinct phases with some overlap (Planning, Program Management and Implementation)
- ◆ They do not necessarily have to happen sequentially, but overall, Planning will and should precede Implementation
- ◆ Program Management may occur following Planning, but could be initiated while planning is still underway
- ◆ Each local situation may have unique characteristics that define how/when the three steps are accomplished

TRID PROCESS

Phase 1



Planning Phase

- Step 1 – Municipality and Transit Agency agree to work cooperatively to create TRID**
- Step 2 – Municipality undertakes TRID Planning Study to determine location, boundaries and rationale**
- Step 3 – Municipality and Transit Agency conduct community public meeting(s) on planning study**
- Step 4 – Planning Study is revised and completed**
- Step 5 – Community and Transit Agency initiate discussions with County, School District and other agencies (as pertinent)**
- Step 6 – Municipality and Transit Agency accept Planning Study's findings and recommendations**

TRID PROCESS

Phase 2



Program Management Phase

- Step 7 – Municipality forms Management Entity (e.g., an Authority) to administer TRID implementation**
- Step 8 – Municipality and Transit Agency prepare project lists of Public Sector Infrastructure Improvements, including costs, phasing and maintenance**
- Step 9 – Municipality and Transit Agency coordinate with School District and County (and others) on Value Capture shares, schedule, TRID Financial Plan and other programs**
- Step 10 – Municipality and Transit Agency hold public meeting on TRID Implementation Program improvements**
- Step 11 – Municipality and Transit Agency execute Agreement on roles, responsibilities, financial commitments, management entity and defined improvements**

TRID PROCESS

Phase 3



Implementation Phase

Step 12 – TRID Management Entity solicits Developer interest

Step 13 – Development proposal accepted by TRID Management Entity and municipality

Step 14 – TRID Management Entity executes Development Agreement with successful Developer, including Public Sector Improvements and Private Sector Financial or Project Commitments

Step 15 – Project construction and completion

Step 16 – TRID Management Entity administers Value Capture revenues and expenditures in accordance with approved Implementation Program

Step 17 – Amendments to Agreement or TRID Plan, as required

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General Provisions (Chapter 1)

◆ Declaration of Policy (Sec. 102)

(1) Overall Purpose and Legislative Intent

Key words: cooperatively, create, designate (with listing of TRID partners)

(2) Specific Purposes and Intent (9 are defined) related to: multi-municipal approaches, plan consistency and implementation, community development activities, public transit benefits, public/private partnerships, value capture, community involvement, innovative and flexible intermodal solutions, and use of pertinent federal and state laws

Getting to TRID

General Provisions (Chapter 1)

- ◆ Definitions (Sec. 103)
- ◆ Key Definitions:
 - Public Transit Agency/Provider
 - TOD
 - TRID Planning Study
 - Value Capture Area

Getting to TRID

TRID Creation and Location

- ◆ Criteria for Proposed TRID (Sec. 301)
- ◆ Any geographic area, generally within 1/8th to 1/2 mile from an **existing** transit stop or station, measured from centerline of track or roadway
- ◆ May also apply to **new** stations proposed as part of a planned public transportation service, if defined on an adopted county, regional or public transit agency plan

Getting to TRID

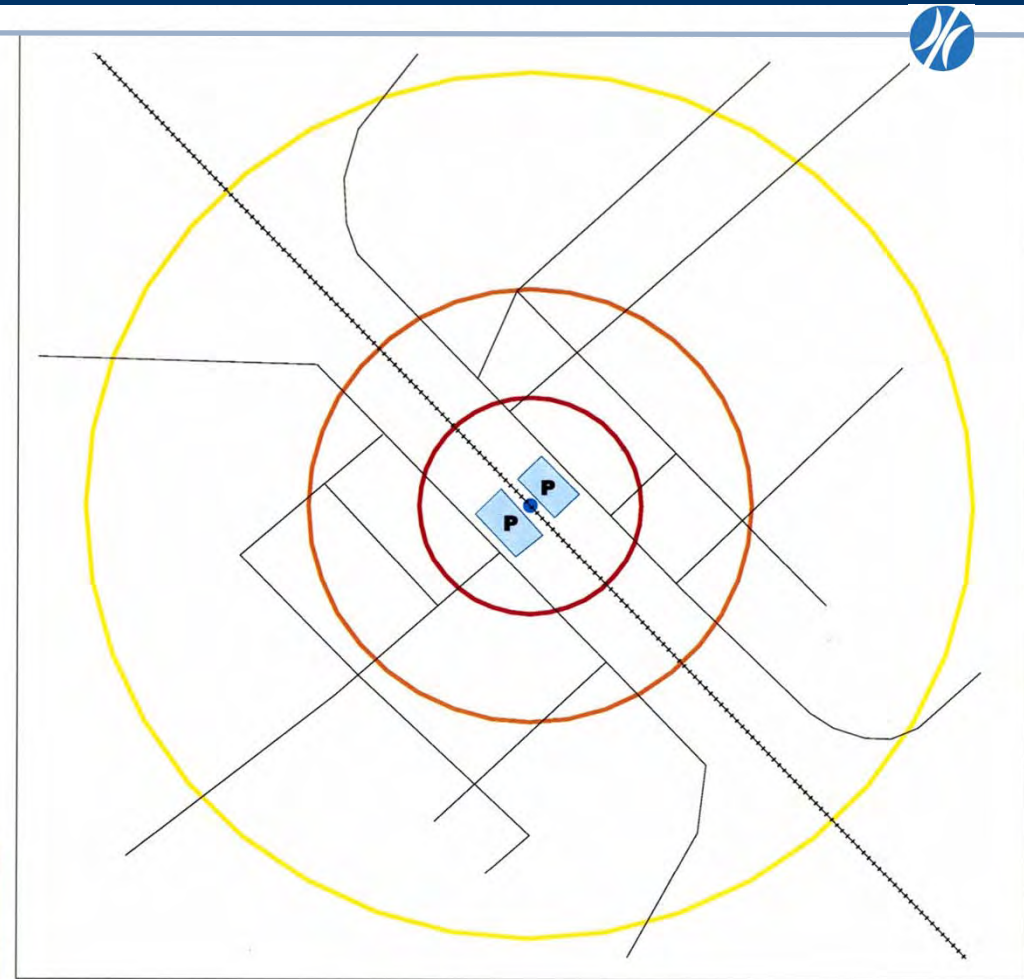
TRID Creation and Location

- ◆ Boundary Flexibility is encouraged to reflect local settings
- ◆ The 1/8th to 1/2 mile radii are guidelines that reflect the goal of maintaining a pedestrian connection between development and the transit station or stop
- ◆ Local conditions may result in boundaries that exceed or are less than the guidelines and which are irregular rather than a circle
- ◆ Boundaries are justified by the TRID Planning Study and authorized by the local governing body(s) in cooperation with the pertinent transit agency

TRID Area Boundaries

Alternative Schematic Mapping

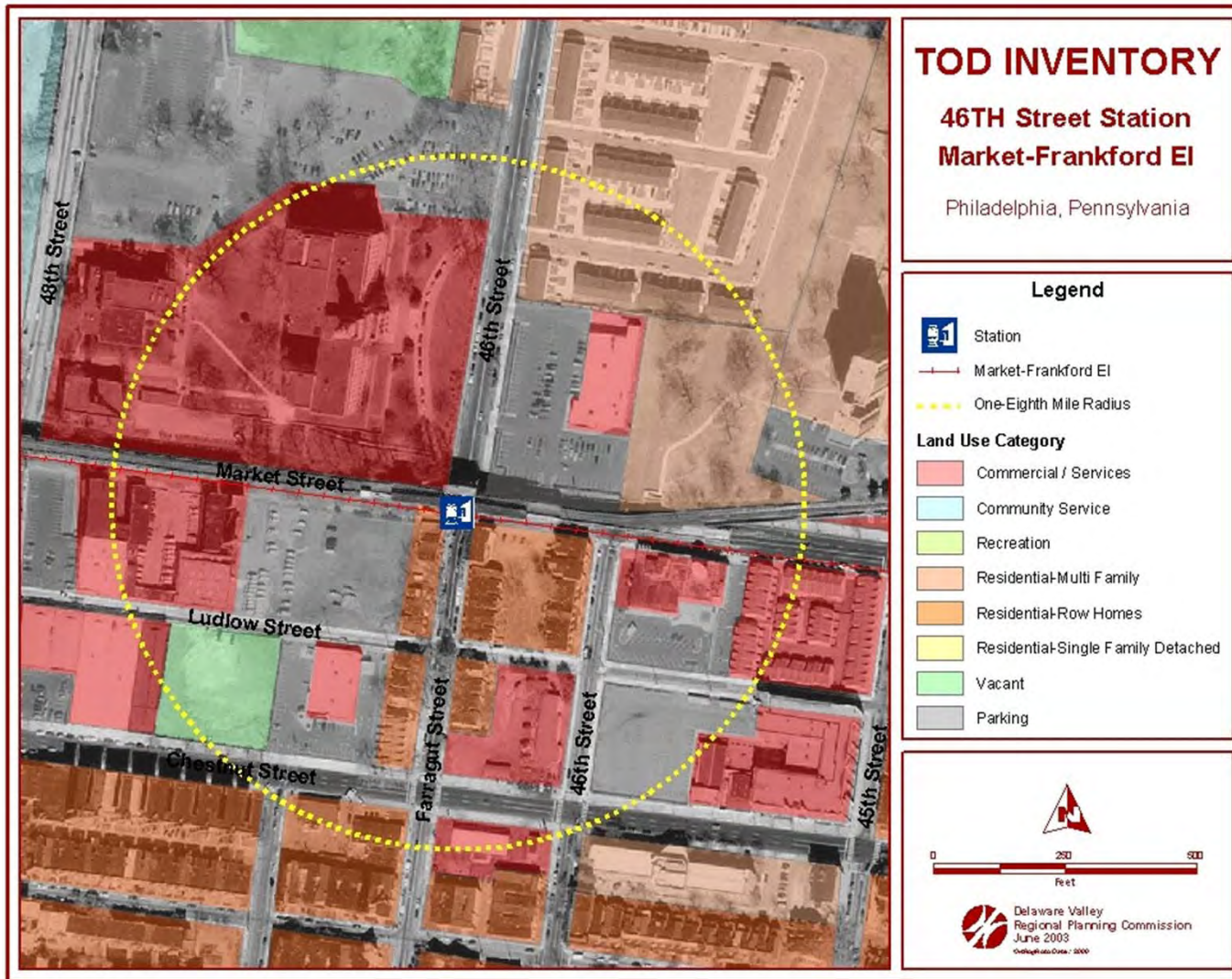
(Refined by TRID Planning Study)



Transit Revitalization Investment District

- Parking Station
- 1/8 Mile
- 1/4 Mile
- 1/2 Mile
- Local Streets
- TRID / Value Capture Area

TOD Inventory Land Use/Aerial Photo



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TRID Creation and Location

- ◆ Requires TRID Planning Study
- ◆ Requires appropriate amendments to comprehensive plan, zoning ordinance and other pertinent regulations
- ◆ Municipality may designate County Planning Agency to undertake or assist in TRID Planning Study
- ◆ Existing Neighborhood Improvement District, tax increment district or urban renewal area may be used for the TRID boundaries, when justified by the TRID Planning Study

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TRID Designation

- ◆ In Sec. 302, TRIDs may be designated in advance of or in conjunction with public transit service and development proposals
- ◆ To create a TRID, the municipality must enter into an agreement with the transit agency that defines the activities and commitments of each party, including specific actions or financial participation for implementation
- ◆ The agreement shall include a development agreement (Sec. 504) and a description of the TRID Management Entity (Sec. 502(4))
- ◆ In Sec. 303, the county redevelopment authority may be designated by the participants to assume responsibility for TRID implementation

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TRID Planning Study Factors

- ◆ In Sec. 304, TRID Planning Study serves as the basis for:
 - (1) scope and scale of transit and community facility improvements
 - (2) comprehensive plan amendment (if the community has an adopted plan)
- ◆ Planning Study Considerations:
 - a. Need for capital improvements to transit-related facilities and adjacent public infrastructure
 - b. Opportunities for private sector real estate development
 - c. Ways in which such facilities services and development can be financed

Getting to TRID

TRID Planning Study Factors

- ◆ TRID Planning Study's required contents are described In Sec. 103, Definitions:
 - a. establishing the TRID area boundaries
 - b. existing environmental conditions
 - c. existing and proposed land use
 - d. real estate market conditions, including property availability and development potential (and use of air space rights, if applicable)
 - e. required zoning amendments
 - f. desired infrastructure and necessary transportation-related improvements
 - g. financial plan, including proposed funding sources, a proposed amortization schedule (if applicable) and estimated future maintenance requirements

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TRID Roles and Responsibilities

- ◆ **Sec. 304, (2) and (3), describe DCED's planning grant program and implementation funding (will be discussed later)**
- ◆ **Sec. 305, defines roles and responsibilities of public transit agencies and municipalities**
 - (1) Public Transit Agency:**
 - a. Scope and scale of needed or proposed transit capital improvements**
 - b. Capital improvements cost, financing, phasing and schedule shall be included in the agency's adopted capital program**
 - (2) Municipality/County: Scope and scale of needed or proposed support facilities, highway accessways, and community or neighborhood facility improvements (with possible support from the private sector)**
 - (3) TRID partners are responsible for defining administrative and management roles and responsibilities to achieve the plan**

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TRID Roles and Responsibilities

- ◆ Sec. 306: Development or redevelopment proposals that trigger additional needs for transit and community facility improvements are to be accommodated by amendments to the TRID Planning Study and pertinent county and municipal plans
- ◆ Sec 307: Multi-municipal cooperation with a transit agency or transportation authority is authorized to establish one or more TRIDs along a transportation corridor

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- ◆ Questions?
- ◆ Comments?
- ◆ Local Examples or Issues?
- ◆ Break

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Land Development Powers of Public Transit Agencies

- ◆ Ch. 5, Sec 501: Authority to Acquire and Improve Property: Public transportation agencies are authorized to acquire and improve land in TRID areas for real estate development purposes provided such acquisition and improvement is:
 - (1) Consistent with a pertinent municipal comprehensive plan and TRID Planning Study
 - (2) Coordinated with pertinent county and local jurisdictions and redevelopment or other special purpose authorities
 - (3) Furthers the stated purposes of the Act
 - (4) Does not exceed the minimum land area necessary to accomplish the needs specified in the TRID Planning Study and the Development Agreement

Getting to TRID

Land Development Powers of Public Transit Agencies

- ◆ Section 502: Development or Redevelopment of Property in a TRID shall generally occur in the following manner:
 - (1) Public transit agency may acquire a site, improve it for future development and work cooperatively with the local jurisdiction(s) or implementing agency to offer it for sale to the private sector for use(s) consistent with the adopted TRID Plan
 - (2) Public transit agency may advertise the presence of available and mapped development sites within the TRID and invite developers to submit proposals in cooperation with the local jurisdiction(s) or implementing agency
 - (3) Public transit agency may not be the primary real estate developer and joint development activities are confined to construction of support and access facilities (vehicular access, parking, pedestrian ways, building pads, foundation columns, signage, etc.)

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Land Development Powers of Public Transit Agencies

- (4) The partnering TRID municipality(s) shall designate a TRID Management Entity (TME) which may be a municipal authority (or joint authority) to manage and facilitate TRID implementation (the municipality(s) shall retain policy and oversight responsibilities for all budgetary and programmatic actions of the designated TME)
- (5) Creative partnerships with AMTRAK that use their real estate development powers are desired and encouraged
- (6) Neighborhood Improvement Districts, Business Improvement Districts and similar entities may be designated to manage TRID implementation activities

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Land Development Powers of Public Transit Agencies

- ◆ **Sec. 503, Coordination of Development Activities:**
 - (1) Public transit agency shall coordinate development activities with the pertinent county or local redevelopment authority, planning commission and governing body.**
 - (2) If these entities can accommodate the land acquisition or marketing needs of the TRID in a more timely fashion, an agreement may be established with the public transit agency to implement this aspect of the TRID program**
- ◆ **Sec. 504, Development Agreements: (Cross-references Sec. 302)**

All TRID participants shall enter into a development agreement with the pertinent private sector development organization(s) to implement the TRID, which shall stipulate the final project scope, the partners' roles and responsibilities, financing arrangements, schedule of improvements and the exactions or contributions to the project.

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Value Capture Provisions

- ◆ Ch. 7, Section 701, Creation of Value Capture Area:
 - (1) TRID area boundaries are also coterminous Value Capture Area (VCA)
 - (2) Purpose is to enable local municipality(s), school district, county and public transit agency to share the increased tax increment of real estate and other designated tax revenues generated by new real estate investment in the TRID
 - (3) TRID participants, through the designated TME, shall develop an administrative, schedule and budget to implement the project (including future maintenance needs, as defined in the TRID Planning Study), as well as the shares and use of such tax revenues as are projected to be generated from the TRID VCA
 - (4) Participating municipality(s) may review and revise the TRID budget

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Value Capture Provisions

◆ Sec. 702, Dedication of Tax Revenues

Tax revenues generated within a TRID shall be dedicated to completion and future maintenance of the specific and necessary improvements designated in the comprehensive plan amendment and TRID Planning Study

(1) Local municipalities and counties shall not use such revenues for general government purposes, and a public transit agency shall not use such revenues for capital investments elsewhere on the public transit system

(2) Local municipalities, school districts and the county shall establish an amortization schedule for receipt, investment and expenditure of any TRID tax revenues, not to exceed 20 years

(3) Where a municipal or joint municipal authority has been created, it shall be responsible for fixing the amortization schedule and for defining the TRID capital improvement plan

Getting to TRID

Value Capture Provisions

- ◆ Section 703, Applicability of Other Statutes:
TRID partners are encouraged to make maximum use of existing Federal and State laws and regulations to advance and further implement TRID purposes (8 laws are listed)
- ◆ Section 704, Private Sector Involvement:
Private sector entity may offer to implement or finance needed public transportation or community improvements at the initiation of or concurrent with proposed TRID-related real estate development

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Community Involvement

- ◆ Ch. 9, Community Involvement: Sec. 901, Public Meeting to Explain TRID and Alternative Implementation Approaches:
 - (1) Community and public involvement in the establishment of TRIDs is required
 - (2) Municipality(s) and public transit agency shall jointly conduct at least one public meeting in the proposed TRID area prior to the enactment of a TRID, TRID Planning Study, comprehensive plan or zoning amendment
 - (3) Meeting is intended to explain the purpose and components of the TRID and alternative implementation approaches
 - (4) The public meeting is in addition to any required public hearings for comprehensive plan amendments and those required for redevelopment, tax increment financing or Neighborhood Improvement Districts

Getting to TRID

Community Involvement

- ◆ Sec. 902, Public Meeting to Review Proposed Joint Development Plan and Related Improvements:

The municipality(s) and the public transit agency shall jointly hold at least one public meeting in the TRID area to review the proposed joint development plan and its related public improvements, prior to implementation

- ◆ Sec. 903, Cooperation with Neighborhood or Community Representatives:

The municipality(s) and public transit agency shall encourage private sector real estate entities and land developers to work proactively and cooperatively with pertinent neighborhood or community representatives during the planning and implementation process

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TRID Case Study

- ◆ Marcus Hook Borough, Delaware County, on the Southeastern Pennsylvania Transportation Authority's (SEPTA) R2 Regional Rail Line (from Philadelphia to Newark, Delaware)
- ◆ Bruce Dorbian, Borough Manager
- ◆ He will describe the planning study they undertook with consultant assistance, the outcome, aspects of the study which are similar to what is required for TRID and its implementation status

Getting to TRID

TRID Model Agreements

◆ There are four possible “model agreements” that could be developed to assist municipalities, transit agencies, counties, school districts and developers to implement TRIDs:

(1) Municipality(s) and Public Transit Agency or Transportation Authority to undertake and implement a TRID Planning Study (and accept the findings)

(2) Municipality(s) and Public Transit Agency or Transportation Authority responsibility for their respective TRID area capital, service and maintenance improvements

(3) Municipality(s), county, school district and public transit agency for their respective shares of tax revenues generated by new development in the TRID area

(4) Municipality(s) and the public transit agency or transportation authority with a private sector developer for their respective improvements, exactions and contributions to a TRID area development

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DCED's TRID Funding and LUPTAP Application Process

- ◆ LUPTAP Program Guidelines (including TRID guidance on pp. 9 to 14) released October 2005
- ◆ Guidelines only cover TRID Planning Studies; not implementation
- ◆ Program Objectives and Definitions mirror the Act
- ◆ Eligible Applicants are local municipalities or counties, if designated by a municipality
- ◆ Eligible Activities also mirror the contents of the TRID Planning Study defined in the Act
- ◆ Key Point: DCED Guidelines (p. 11) state that TRID Planning Study "...must identify the future development market, level of transit service and calculate the potential incremental tax revenue gains for the defined TRID..."

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DCED's TRID Funding and LUPTAP Application Process

- ◆ Grant Funding: \$75,000 maximum grant; 25% local match required (either cash or a combination of cash and in-kind services)
- ◆ Proposed match as all in-kind services requires discussion with DCED
- ◆ Local governments undertaking a TRID Planning Study shall receive priority consideration for planning and implementation grants and technical assistance from DCED and other State agencies (with applicable grant or loan programs) (See Secs. 304 (2) and (3) of the Act)

Getting to TRID

DCED's TRID Funding and LUPTAP Application Process

◆ Program Requirements

(1) Work Program and Work Element Cost Summary

Scope of Work and cost by task

(2) Designation of Previous Planning Studies and Supplemental Studies

Meeting with DCED's Center for Local Government Services staff to review existing study or plan and proposed updating or supplemental work

Describe how current study is consistent with TRID Act

(3) Local Government and County Consent

Resolutions from local government(s) authorizing application filing and committing to the local match

Letter of support for the project from the applicable MPO or RPO

Letters of support or resolution from school district and public transit agency (where applicable)

Getting to TRID

DCED's TRID Funding and LUPTAP Application Process

(4) General Consistency

Letter from pertinent county planning agency that proposed project is generally consistent with county and/or municipal comprehensive plans and zoning ordinances

Work Program should discuss project consistency with other applicable Commonwealth laws

(5) Participatory Planning

Written strategy for public participation, including required public meetings in Sec. 901 of the Act

(6) Other Partnerships

Application should show how partnerships with various governments and agencies will be created, particularly for the value capture approach

(7) Education and Technical Assistance

All projects should have a training and education component (maximum of \$1200 can be budgeted for this)

Meeting with DCED's Center for Local Government Services staff to discuss types of training (such as TOD or overlay zoning)

Getting to TRID

DCED's TRID Funding and LUPTAP Application Process

- ◆ **Application Evaluation Criteria and Review Procedure**
- ◆ **Project Impact**
Part of an overall community and economic development/redevelopment plan for the community
- ◆ **Time Frame and Cost of Project**
Can project be performed within proposed time frame and with proposed budget
- ◆ **Location and Timing of Project**
TODs for existing stations/stops are higher priority than TODs proposed at programmed or planned stations/stops
- ◆ **Partnerships**
Multi-municipal approaches are encouraged and forming public/private partnerships
- ◆ **Past Performance**
DCED will review past grant performance if applicable

Getting to TRID

- ◆ Questions?
- ◆ Comments?
- ◆ Case Studies?
- ◆ Adjourn