



Featured Tool: Transit Oriented Development Overlays

Transit-oriented development, or TOD, refers to residential and commercial centers designed to maximize access by transit and non-motorized transportation.¹ A TOD overlay is a floating zone that implements an array of development regulations that support transit usage and create a vibrant neighborhood around a transit station. Usually, the overlay zone extends a “walkable” distance around the station, depending on the type of transit amenity and size of the center. TOD overlays implement some or all of the following characteristics:

- **Mixed uses.** Land uses are mixed and may include shops, job centers, restaurants, public services such as schools and community centers, and a variety of housing choices including housing that is affordable to households across the income spectrum.
- **Affordable Housing.** Mixed-income housing accessible to a range of household types, sizes, and abilities.
- **Compact development.** Development around station areas is compact, with medium to high densities.²
- **Neighborhood center.** Transit station areas are complemented by concentrations of business, civic and cultural activities that support vibrant street life.
- **Parking management.** Parking around transit station areas is limited and requirements are reduced.
- **Pedestrian and bicycle friendly design.** Streets around transit station areas encourage walking and bicycling.³

What issues do TOD overlays address?

Overlays permit the residential forms and density, mix of uses and access to transit and amenities required for compact, mixed-use development within existing urban areas.

Creating mixed-use, walkable activity centers Zoning was created to segregate land uses. TOD overlays work to reverse flaws of the traditional zoning model by allowing different but compatible uses, such as retail, office, and dense residential development to match unmet demand for new development near high-capacity transit nodes and in transit corridors. TOD overlays also work to promote walkability and compact form by restricting auto-oriented forms, like “drive-thrus” and superblocks. People who live and work within the TOD overlay boundaries are able to walk to neighborhood amenities, reducing automobile-dependency and transportation costs, improve public health, and creating a lively pedestrian environment. Transit oriented developments are an important component of [urban centers](#).

Tool Profile

Focus Areas

- [Transit Oriented Development](#)
- [Expensive Housing Markets](#)

Housing Types

- Multifamily
- Ownership
- Rental
- Market Rate

Affordability Level

- 80 to 120% AMI
- Less than 80% AMI

Goal

- Diversity

Case Studies

- [Oakland, CA TOD: Fruitvale BART Station](#)
- [Seattle TOD: NewHolly/ Othello Light Rail Station](#)
- [Snohomish County TOD: Ash Way Transit Pedestrian Village](#)

¹ Litman, Tod. “Transit Oriented Development: Using Public Transit to Create More Accessible and Livable Neighborhoods,” *TDM Encyclopedia*. Victoria Transport Policy Institute, 2008.

² TOD generally requires densities of at least 6 residential units per acre in residential areas and 25 employees per acre in commercial centers, and about twice that for premium quality transit, such as rail service. These densities support transit service and encourage active street life and commercial activities within walking distances of homes and worksites. (Pushkarev and Zupan, 1977; Ewing, 1999; Cervero, et al, 2004; Reconnecting America and the CTOD, 2008, Litman, 2008)

³ Seattle Department of Transportation, “Case Studies of Transit Oriented Development: Introduction.” Accessed at: http://www.seattle.gov/transportation/ppmp_sap_todstudies.htm. Pg. 1.

Leveraging investments in transit by supporting transit and non-motorized travel. TOD supports transit investments by bringing potential riders closer to transit facilities and increasing ridership.⁴ People who live in a TOD community are more likely to commute by transit than other residents; in addition, TOD can significantly reduce per capita motor vehicle travel.⁵ This occurs as trips to and from the TOD shift to transit, and transit stations serve as a catalyst for higher density, mixed-use, walkable neighborhoods. Residents of these neighborhoods tend to own fewer cars, drive less, and use transit more than in other locations.

Increasing housing variety and affordability. TOD overlays allow increases in density and floor area ratio that promote dense residential development. Mixing uses allows these forms of housing to develop in commercial centers where the underlying zoning would not otherwise permit. Siting housing near transit, employment, services, and amenities can reduce transportation and time costs, making life within the overlay boundaries more affordable. Apart from the cost of housing itself, transportation costs constitute the second greatest expenditure for households.⁶ By pairing housing and transportation through TOD, lower-income households can live more affordably with reduced transportation costs.

Where are TOD overlays most applicable?

An overlay could be applied to the area surrounding a variety of high-capacity transit nodes and corridors, from a neighborhood bus transfer center to a commuter rail station. The size of the district and degree of development intensity permitted by the district will be tied to the size of the transit center. [Urban centers](#) are often served by transit hubs and make great places to apply TOD overlays.

What do I need to know about implementing TOD overlays?

A TOD overlay amends the zoning code, and the implementation process is the same as it would be for incorporating other zoning changes. The topics to consider while drafting the overlay ordinance may be unique for your jurisdiction. Creating a community vision and strategic plan are important steps in implementing a TOD. A collaborative visioning process involving local stakeholders engages community members in thinking about what defines a desirable place to live. In addition to identifying key neighborhood characteristics that TOD should embody, the TOD strategic plan also puts in place a policy foundation for future zoning and neighborhood development policy shifts.

Overlay area. The overlay district should obviously center on the transit hub, but how far should its area extend? A ½-mile station buffer is often suggested for major transit amenities. Most people are comfortable walking within this distance for frequent service. For smaller transit improvements or cities, a more compact district, such as a five minute walking distance or ¼-mile radius, is common.

Development standards. When the overlay district is applied, development may be permitted at intensities and with uses unseen before in your community. Deciding the level of intensity of development and the mix of uses permitted in the overlay district is essential to its functioning and success. Community visioning exercises can provide insight on the mix and intensity of uses that would make a vibrant neighborhood and provide the necessary services for everyday life. Considering the different uses, expressing required densities in terms of floor area ratio instead of units per acre may simplify the development code. Creating a [form-based code](#) for the overlay district may also help simplify the code for the areas. Form-based codes are less concerned with the mix of uses in a district than about the experience of a neighborhood and building form. [Design guidelines](#) are also wise components of a TOD overlay, ensuring that a cohesive and resident-approved neighborhood develops. [Parking reductions](#) are a feature in TOD areas and should be included in your development standards.

Overlays and affordable housing. A TOD overlay will not create any affordable housing on its own, but the overlay ordinance can be crafted to make sure the forms of affordable housing that best suit your community are easily be

4 Litman, Tod. "Transit Oriented Development: Using Public Transit to Create More Accessible and Livable Neighborhoods," *TDM Encyclopedia*. Victoria Transport Policy Institute, 2008.

5 Cambridge Systematics, "The Effects of Land Use and Travel Demand Management Strategies on Commuting Behavior", Travel Model Improvement Program, USDOT, 1994. Accessed at: www.bts.gov/tmip.

6 Center for Neighborhood Technology. "H+T Index," 2012. Accessed at: <http://htaindex.cnt.org/>

permitted or incentivized in the TOD area. You can additionally tie other affordable housing development tools to the overlay district; for example, offering additional incentives for affordable housing construction on properties within the overlay district. Tools that advance affordable housing in TOD overlay zones include [density bonuses](#), [inclusionary zoning](#) and [development agreements](#).

Challenges. With the number of competing interests involved within a TOD, some goals will take time to realize, such as increasing transit ridership, achieving a balance of residential and commercial development and maximizing pedestrian access to the station.⁷ Traditional land use and density conflicts between business interests and resident concerns with parking, noise and traffic may turn some people off from TODs. The desirability of properties within the overlay district may force land prices and housing costs upward and beyond the reach of low-income residents. Community outreach throughout the TOD planning and implementation stage can reveal conflicts within station planning policies, highlighting the difficult logistical and political challenges associated with creating a successful TOD. Ultimately, community outreach throughout the TOD implementation process provides an opportunity to educate the public about TOD, and to build consensus with stakeholders about the scale and design standards of development around transit.

Model Policies, Regulations, and Other Information

Local Resources

City of Vancouver: Washington [Transit Overlay District Code](#)

King County: [TOD Guide](#)

PSRC: [Station Area Planning Guide](#)

PSRC: [The Growing Transit Communities Strategy](#)

Seattle: [Station Area Plan](#)

Sound Transit: [Projects and Plans](#)

National Resources

BART: [Station Area Plan](#)

Brookings Institute: [The Affordability Index: A New Tool for Measuring the True Affordability of a Housing Choice](#)
Report on combining housing and transportation costs when calculating housing affordability.

California Department of Transportation: [TOD searchable database](#)

[Los Angeles Consolidated TOD Plan](#)

Reconnecting America: Extensive collection of [TOD publications](#)

PolicyLink: [Equitable Development Toolkit Transit Oriented Development](#) [pdf]

TransitOrientedDevelopment.org: [Think tank specifically devoted to TOD](#)

Victoria Transport Policy Institute: On-line [Transportation Demand Management Encyclopedia](#) with many entries on TOD .

7 Belzer, Dena et al. "The Transit-Oriented Development Drama and its Actors." *The New Transit Town: Best Practices in Transit Oriented Development*. Ed. Hank Dittmar & Gloria Ohland, Island Press, 2004. Pg. 45.