



A shuttle bus connecting coastal communities in Tillamook County. Photo: ODOT

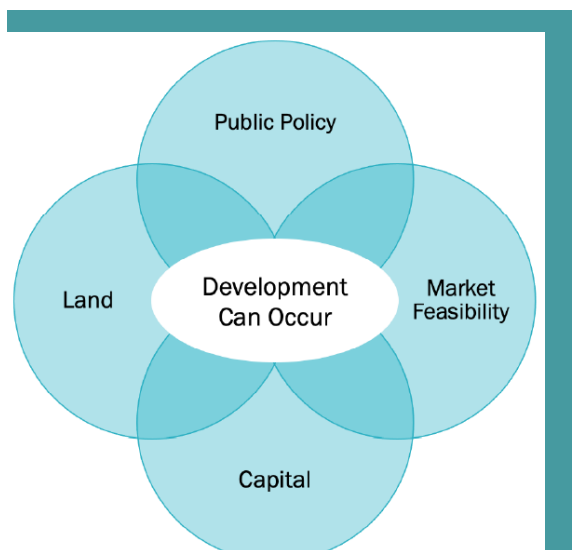
## Oregon Transit and Housing Study

*Evaluated policies and actions that lead to viable connections between housing and transit*

### Why this Study, Why Now?

The Oregon Legislature asked ODOT to study policies and actions that could improve households' quality of life by increasing housing opportunities with easy connections to transit. This comes at a time of focused attention on housing affordability, transportation access, and climate impacts. The Governor, Legislature, state agencies and local jurisdictions are currently acting to develop remedies for these issues.

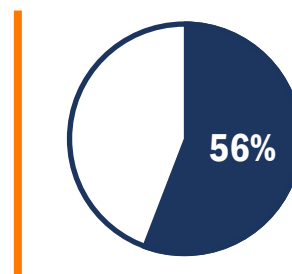
Transportation and housing are interrelated and comprise the two largest household budget expenses. Choices in these areas are connected and affect a household's quality of life, physical environment, health outcomes, economic mobility, educational and cultural opportunities, and many other factors. This study provides a foundation and understanding of how housing and transit can be better linked and improve household's quality of life.



### The Housing Market

Housing development relies on inputs set by numerous interrelated markets and players.

- Landowners and developers assess a **parcel of land's** highest and best use and generally build to capture the highest value or the organization's mission.
- **Public policies**, like zoning, dictate what can be built and where. A single policy may have many different impacts.



*Oregon households spend a combined 56% of their income on housing and transportation expenses according to the H + T Index*  
([www.htindex.cnt.org](http://www.htindex.cnt.org))

- **Market Feasibility** is a process that assesses the demand for development for different types of development and the investment returns against the anticipated costs. If a project is not financially feasible, it will not be built.
- **Capital** is necessary to pay for costs associated with development and influences market feasibility through financing terms set by lenders.

Real Estate Development Factors  
Source: ECONorthwest

## Some of the Key Lessons Learned from the Study



- Housing within walking distance to high-quality transit is often more expensive due to the proximity of urban amenities, services, and jobs. Higher costs are offset by lower transportation costs leading to potential net gains in overall affordability.
- Clear policy direction on transit-supportive housing is needed to guide local planning, direct funding, and drive goals around climate impacts and housing.
- Early collaboration is critical. Housing, land use, and transit stakeholders should be encouraged and guidelines created to promote collaboration around transit-supportive housing.
- Leverage existing transit corridors to create affordable housing near transit and jobs. Local governments should be encouraged to update development regulations and land use plans to produce more housing near transit.
- Clear and objective approval processes combined with proactive design criteria can make more affordable housing development easier to plan and build.
- Incentives such as reduced or eliminated parking minimums or exemptions from development charges can lower the cost of housing development and deliver more affordable housing near transit.
- While local jurisdictions have been incentivizing developers to provide affordable housing, statewide policies and incentives could create more certainty, greater benefits, and more supply.
- Equity and affordability should be centered in planning efforts and policies to better serve low-income and other historically disadvantaged populations.



Rural transit works to connect people and communities to key destinations.



### Study Deliverables

- **Housing Market Primer**  
*Provides a foundation of housing market dynamics*
- **Academic Literature Review**  
*Summary of research on transit-supportive housing*
- **Oregon Statewide Policy Review**  
*Regulatory and policy framework summary*
- **Case Studies**  
*Provides examples of transit-supportive development*
- **Stakeholder Survey**  
*Survey to identify challenges and opportunities*
- **Transit-Supportive Housing Toolkit**  
*Summary of policy and planning tools*
- **Final Report**  
*Summarizes the study and key lessons learned*

### How to Get in Touch

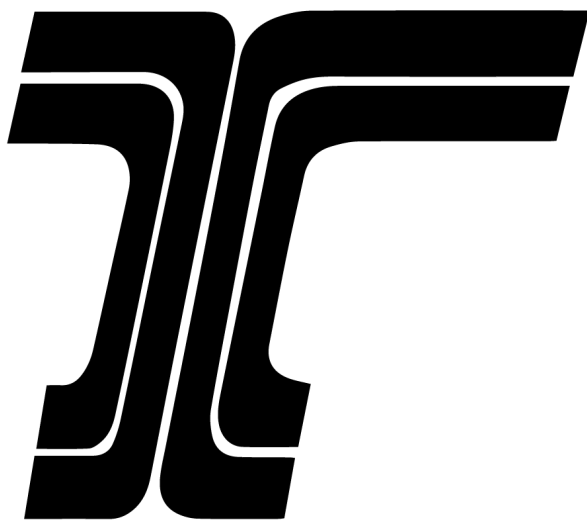
To learn more, send your questions to ODOT via:

**Web:** [www.oregon.gov/odot/Planning/Pages/Transit-and-Housing-Study.aspx](http://www.oregon.gov/odot/Planning/Pages/Transit-and-Housing-Study.aspx)

**Email:** [Lucia.L.Ramirez@odot.oregon.gov](mailto:Lucia.L.Ramirez@odot.oregon.gov)

## Transit-Supportive Action

Transit-supportive housing is the realm of many players with diverse roles and responsibilities including state agencies, local governments, developers, affordable housing operators, transit providers, and more. A sound set of policies will help direct funding and investment toward transit-supportive housing efforts and can complement numerous other state and local goals, such as increasing affordable housing and lowering greenhouse gas emissions. While no one party has the ability to address everything, each partner has a crucial role to play in improving transit-supportive housing throughout Oregon.



# Oregon Transit and Housing Study

Final Report

September 30, 2022



MultiCultural  
Collaborative



## Acknowledgements and Project Information

A special thank you to the Oregon Department of Transportation staff, consultant teams, housing agencies, developers, transit providers, and local and tribal governments across Oregon that contributed to the Oregon Transit and Housing Study by providing research, interviews, and recommendations.

Additional information about the Oregon Transit and Housing Study can be found on the project website: [www.oregon.gov/odot/Planning/Pages/Transit-and-Housing-Study.aspx](http://www.oregon.gov/odot/Planning/Pages/Transit-and-Housing-Study.aspx).

This study is made up of several smaller studies, all of which are available on the project website above. The interim products build up to this final report and accompanying toolkit. The interim products include:

- Transit and Housing Study Statewide Policy Review
- Transit and Housing Study Survey Summary
- Housing Market Primer
- Transit and Housing Study Literature Review
- Oregon Case Studies
- Case Studies Outside Oregon
- Transit and Housing Study Glossary

Throughout the Transit and Housing Study Final Report, an asterisk (\*) denotes that a term is defined in the study glossary, which is organized by topic area. The asterisk (\*) is only provided on the first instance of the word.

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## Acronyms and Abbreviations

DLCD	Department of Land Conservation and Development
GHG	Greenhouse Gas
HB	House Bill
HNA	Housing Needs Assessment
FMLM	First Mile/Last Mile
ODOT	Oregon Department of Transportation
OHCS	Oregon Housing and Community Services
SAP	Strategic Action Plan
TDM	Transportation Demand Management
TDP	Transit Development Plan
TOD	Transit-Oriented Development
UGB	Urban Growth Boundary
URA	Urban Renewal Area

# 1 Introduction

Transportation and housing have large, interrelated impacts on Oregonians' quality of life. Not only do they comprise the two largest expenses for a typical household, but policy choices the government makes about transportation and housing affect environmental and physical health outcomes, economic mobility\*, educational and cultural opportunities, the financial well-being of households, and more (U.S. Department of Transportation 2007)<sup>1</sup>.



A desire to better understand the benefits of aligning housing and transportation policies has grown across the state, prompted by declining housing affordability\* and concerns about displacement\*, segregation, and transportation's contributions to climate change. In 2020, the Oregon State Legislature asked the Oregon Department of Transportation (ODOT) to study policies and actions that could improve households' quality of life by increasing housing opportunities with easy connections to transit.

This study engaged housing agencies, developers, transit providers, and local and tribal governments across Oregon to identify policies and actions that can improve access to attainable housing\* and convenient, reliable transit. While study products are not policy documents, the study materials present lessons learned that can be used to guide future policy development to better align transit and housing investments in Oregon.

The study recognizes the growing challenges related to housing and public transportation that many Oregon communities face – such as housing affordability, displacement and long commutes, segregation by race or income, and sprawl – and explores tools and strategies that all levels of government can employ to address these challenges. This information will help many stakeholders, including state and local government agencies<sup>2</sup>, developers, regulated affordable housing agencies, and advocacy groups, find collaborative solutions to meet local needs.

The study comes at a time when Oregonians are focusing attention on issues relating to housing affordability, access to transportation, and transportation impacts on climate change. Recently, the Governor, the Legislature, and several state agencies have taken steps to better understand and address these concerns. Recent initiatives include:

- The Oregon Transportation Commission – the body responsible for setting statewide transportation policy – and ODOT adopted the 2021-23 Strategic Action Plan (SAP) that includes climate equity and addressing climate change as key goals, along with improving access to active and public transportation, and addressing congestion in the Portland metropolitan region.
- In 2019, the Legislature passed HB 2001 and HB 2003 acting on housing availability and affordability concerns. HB 2001 addresses land use zoning for housing and providing for

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<sup>1</sup> Reconnecting America's Center for Transit-Oriented Development. 2007. Realizing the Potential: Expanding Housing Opportunities Near Transit. DC: U.S. Department of Transportation, Federal Transit Administration.

<sup>2</sup> Throughout this study, local government agencies refers to city, county, regional such as metropolitan area, and tribal transportation and land use agencies.

“middle housing” or smaller scale attached and multifamily housing developments. HB 2003 provides for local and regional housing needs analyses and plans to address any shortages.

- In 2020, Governor Brown issued Executive Order 20-04: Directing State Agencies to Take Actions to Reduce and Regulate Greenhouse Gas Emissions.
- In 2021, the Legislature passed House Bill (HB) 5006 directing the Department of Land Conservation and Development (DLCD, the state agency overseeing local land use and housing planning) and the Oregon Housing and Community Services Department (OHCS, the state agency overseeing affordable housing development and low-income housing support) to study how to implement a statewide Housing Needs Analysis\* methodology as follow-on work to 2019’s HB 2003.
- In 2022, DLCD adopted Climate-Friendly and Equitable Communities rules focusing on how Oregon can strengthen its transportation and housing planning efforts in its more populous regions to reduce transportation’s impact on climate pollution.

As the statewide transportation policy and funding agency, ODOT plays a critical role in ensuring better alignment between housing and transit systems. The Oregon Public Transportation Plan, which was adopted in 2018 and guides local public transportation policy within the larger multimodal\* Oregon Transportation Plan, calls on ODOT and other agencies to work together to achieve numerous goals relating to accessibility and connectivity, community livability, economic vitality, equity, health, and environmental sustainability (among others). Regional and local transportation plans are informed by the policy in these statewide plans and others.

## 1.1 How this Report is Organized

This report culminates an effort to study the policies that affect the alignment of housing and transportation systems, aggregate best practices gathered from across the country, and describe tools that local and regional governments can employ to achieve the study’s goals. This report brings together the key findings of each of the smaller studies conducted in this project.

The report summarizes the findings from the six reports leading to this final product and provides a summary of the accompanying Oregon Transit and Housing Toolkit. It is organized in five sections following this introduction.

- Section 2 provides an overview of current policies and planning conditions surrounding housing and transit in Oregon. This includes content from the Policy Review report and the Transit and Housing Survey.
- Section 3 summarizes how the housing market functions focusing on the development economics of land use, construction costs and findings, market demand, and policy regulations. It builds from the Housing Primer report.
- Section 4 offers lessons learned and best practices from successful transit-supportive housing projects in Oregon, building from a Literature Review and Case Studies within and outside of Oregon.
- Section 5 highlights the specific tools and actions that all levels of governments can employ to encourage transit-supportive housing across the state. This section summarizes the transit and housing toolkit that accompanies this study.
- Section 6 offers conclusions and provides a summary of lessons learned overall.

The following are key outcomes of the study, aiding stakeholders to better:

- Understand policy measures and actions that can be taken to better connect transit and housing to reduce household costs and improve access to opportunity for Oregonians across the state.
- Understand the conditions, funding, and planning efforts behind several case studies across the state that successfully developed transit-supportive housing and affordable housing near transit.
- Understand the opportunities for local communities to better integrate transit service into existing and future housing.
- Understand how state departments, local agencies, and transit providers can collaborate with other departments, agencies, and community partners to develop transportation and housing strategies that can improve accessibility and affordability for households in Oregon.

The literature, policies, and programs reviewed for this study included the most recent available at the time (most of these parts of the study were conducted in 2020 and 2021.) The case studies and survey were conducted a little later and therefore reflect very recent conditions. Many housing and transportation regulations and policies responding to HB 2001, HB 2003, and the climate executive order are still evolving at the time of publication. Therefore, some of the newest policies and rules are not reflected in the summaries provided. However, they still provide a foundation for understanding the policy context for this study.

## 2 Current Conditions for Housing and Transit in Oregon

### 2.1 Statewide Housing and Transit Policy Review

#### 2.1.1 Purpose of Statewide Policy Review

The study included a Statewide Housing and Transit Policy Review to better understand the relationship between existing transit, housing, and land use policies and how these may affect the ability to link transit services and housing development. Sixteen existing policy and guidance documents issued by the State of Oregon were examined to understand how to develop a positive policy environment for coordinating future housing, transportation, and transit decisions. The Statewide Policy Review was completed in 2021, so many of the most recent efforts to address housing, land use, and climate change are not reflected, however the policies reviewed still provide a foundation for understanding the policy context for linking transit and housing investments.

While upstream (federal) and downstream (tribal, regional, and local) policies play important roles in the overall transit and housing framework, the Statewide Policy Review focuses on efforts for which the State performs a primary function. The guidance documents reviewed inform plans, such as corridor and interchange area management plans, by providing best practices, performance measures, and/or sample policy language to advance transit and housing goals by affecting housing availability and transportation infrastructure in Oregon.

#### 2.1.2 Summary of Findings

Oregon's unique land use system creates much of the framework in which housing, transportation, and transit are provided and evaluated. State agencies provide policy direction through administrative rules, statewide plans, and guidance to local agencies; they also provide funding to local agencies – this policy direction and funding influence local plans and decisions regarding transportation, transit, land use, and housing. Three different state agencies – ODOT, DLCD, and OHCS – have the most direct involvement in planning, funding, and providing different aspects of transportation, transit, and housing at the state level.

- DLCD is responsible for the statewide land use planning program, assisting local governments with implementing statewide planning goals, and ensuring compliance with state planning requirements.
- OHCS is responsible for providing financial assistance and general support to ensure that Oregonians with lower and moderate incomes have access to quality affordable housing.
- ODOT is responsible for planning, funding, and managing Oregon's state transportation networks.

Most decisions about the provision of transit and housing are made at the local or regional levels consistent with State policies and guidance or in coordination with State agencies. Local governments control land use through comprehensive plans (which must be approved by DLCD), zoning, and development review, which may influence or promote opportunities to build transit-supportive housing.

Table 1 summarizes the documents that were examined for the Statewide Policy Review, including comments on how the policies affect the coordination of transit and housing. Understanding the existing policy environment can help to unlock opportunities and remove barriers that may be preventing better alignment between housing and transit planning.

**Table 1. Support, Barriers, and Gaps in Policies for Transit-Supportive Housing**

Document	Support	Barriers	Gaps	Opportunities
<b>Land Use Planning Goal 9: Economic Development</b>	No direct support for transit-supportive housing development*	Goal 9 may prohibit the inclusion of housing near transit when land use is designated commercial or industrial.	Location factors are considered when planning for employment uses. Similar factors are not considered when planning for other uses.	Increase encouragement for performance measures that include location factors, such as proximity to transit. Encourage jurisdictions to consider rezoning for higher densities or mixed uses near transit. Highlighting the importance of workforce housing as a component of economic development.
<b>Land Use Planning Goal 10: Housing</b>	Supports housing through infill, up-zoning*, or rezoning when not enough land is available to accommodate growth. Supports planning for affordable housing in neighborhoods with abundant amenities, including transit. Recent administrative rule changes encourage the creation of compact, mixed-use* neighborhoods in locations that reduce Greenhouse Gas (GHG) emissions.	Cities may lack clear rules around the inclusion of housing in commercial areas that often have access to transit. Jurisdictions may meet most of their housing needs (including affordable housing) with development on the edges of urbanized areas. This includes UGB expansions to accommodate housing needs.	There are no specific requirements that support developing housing near transit.	HB 2003 is an opportunity to provide guidance on better aligning housing and transit planning to address affordable housing and help reduce GHG emissions.
<b>Land Use Planning Goal 12: Transportation</b>	Supports planning transportation facilities and transit that complement land use decisions. Encourages higher density development to be principally served by mass transit.	No identified barriers.	Goal 12 makes no direct mention of housing.	Executive Order 20-04 directs ODOT to establish GHG emissions reduction targets, develop performance measures, and update the Transportation Planning Rule implementing Goal 12. Encourage the connection between housing and transit through infill development and higher densities.

Document	Support	Barriers	Gaps	Opportunities
<b>Land Use Planning Goal 14: Urbanization</b>	Options for accommodating housing near transit should be considered when considering UGB expansions. Transit facilities should be considered to support urban area expansion.	No identified barriers.	Availability of developable land and political challenges may lead to housing predominately being accommodated on the edges of urban areas.	Encourage future development to be served with transit during UGB expansion process. HB 2003 is an opportunity to provide jurisdictions guidance that better aligns housing and transit planning around issues of affordable housing and GHG emissions reductions.
<b>Model Development Code &amp; Users Guide for Small Cities</b>	The Model Code offers sample code language that supports compact, mixed-use, and transit-connected neighborhoods through design standards, pedestrian access standards, and parking requirements.	No requirement that local jurisdictions follow the Model Code.	The Model Code does not include language on transit or bicycle circulation. It also does not offer guidance on developing housing near transit.	Encourage adoption of the Model Code's suggested reductions for off-street parking, transit integration, and parking maximums.
<b>Transportation Demand Management* (TDM) Plans for Development</b>	Supports jurisdictions creating TDM plans and establishing TDM requirements in the development review process.	No identified barriers.	Adopting TDM requirements as a part of development review could have the unintended consequence of raising housing prices, which could constrain new housing construction.	Encourage more jurisdictions to adopt TDM plans or include TDM development code language. TDM requirements for travel surveys can support mode share and GHG emission reduction targets stemming from Executive Order 20-04.
<b>Oregon Housing and Community Service's Statewide Housing Plan</b>	Suggests aligning affordable housing investments with transit investments. Supports reducing the overall cost burden placed on households stemming from both housing and transportation costs.	No identified barriers.	The plan lacks implementation strategies to reduce transportation costs for affordable housing in rural settings. Trade-offs exist between providing affordable housing in transit rich areas and high costs of developing projects in such areas.	Many plan actions suggest better alignment between affordable housing investments and transit investments. This provides an opportunity for more concerted coordination and planning between these two issues.

Document	Support	Barriers	Gaps	Opportunities
<b>Qualified Allocation Plan for Low Income Housing Tax Credits*</b>	Includes scoring criteria for location efficiency* measures, (e.g., proximity to transit) that supports affordable housing near transit. The funding mechanism directly supports developing affordable housing near transit.	The traditionally high cost of land near transit can act as a barrier to developing affordable housing. Developers face trade-offs between the location efficiency scoring criteria and other scoring criteria that encourage affordable housing away from transit.	The financial benefits for affordable housing projects in rural areas are less defined and not tied to location criteria, such as proximity to transit.	The Qualified Allocation Plan is regularly updated and could continue supporting transit-supportive housing
<b>HB 2001 (issued in 2019): More Housing Choices for Oregonians</b>	Encourages more housing density and housing options in residential zones, which could better support transit service in low-density neighborhoods over time.	Increasing residential development in lower-density neighborhoods could increase the population with limited access to transit.	Does not address transit service for areas with increasing residential densities.	State could provide guidance for transportation and transit planning in response to increasing densities.
<b>HB 2003 (issued in 2019): Requiring Cities to Update Housing Needs Studies and Create Housing Production Strategies*</b>	The Housing Needs Analysis and Production Targets will generate more focused attention on accommodating housing needs and could lead to transit-supportive housing policies.	The regional aspect of the analysis could lead to more dense housing developed in former lower-density neighborhoods not served by transit.	A regional framework addressing shared accountability in housing production across jurisdictions is needed to ensure housing served by transit.	Administrative rules could include guidance directing affordable housing production to be more equally distributed, including in high-income areas, some of which have little transit service. Transportation options could be expanded in areas as housing options also expand.
<b>ODOT Strategic Action Plan</b>	The focus on GHG emissions reductions and the priority to expand transit access complements transit-supportive housing.	No identified barriers; however, large organizational change presents challenges in balancing new priorities with existing priorities.	Lacks implementation plans for many of the priorities outlined. However, this is a first step for most of the priorities outlined in SAP.	New priorities outlined in SAP are opportunities to reexamine existing ODOT policies and guidance to understand how they can be aligned with transit-supportive housing and policy initiatives such as Executive Order 20-04.

Document	Support	Barriers	Gaps	Opportunities
<b>Transportation System Plan Guidelines</b>	Local plan documents must be consistent with state and regional plans and established policy (e.g., Oregon Transportation Plan, Oregon Public Transportation Plan) that support or complement a connection between housing and transit.	Guidance for identifying and addressing transportation deficiencies revolve around capacity constraints, which are most strongly associated with vehicle capacity. This can lead to auto-oriented solutions if not balanced with measures focused on transit and active modes.	Less emphasis on evaluation measures for transit and active transportation modes. Land use policy tools to address transportation issues are limited in scope. TDM measures are limited in scope and the communities that are directed to consider TDM solutions are limited.	Further develop guidance on land use tools that address transportation needs. Expand the list of TDM measures that can be considered during the Transportation System Plan process. Develop performance measures directed at transit-supportive housing.
<b>Oregon Transportation Options Plan</b>	Offers policies and strategies broadly endorsing transit-supportive housing (e.g., developer incentives*, multimodal level of service* measures, parking management, complete “20-minutes neighborhoods”**).	Provides strategies that support park-and-ride* facilities. Developing park-and-ride facilities is a direct trade-off with developing housing on land adjacent to transit.	Many policies and strategies require a high degree of coordination, potentially complicating implementation efforts.	Many policies and strategies broadly complement transit-supportive housing. Finding appropriate ways to adopt these throughout ODOT programs could better support transit-supportive housing.
<b>Oregon Public Transportation Plan</b>	Recognizes a strong link between transit and housing density. Presents strategies and actions that attempt to fully align planning for housing and transit.	No identified barriers.	Outlines many priorities and goals including housing. All goal areas must be balanced. Addressing housing requires substantial coordination with other state agencies and local partners.	Prioritizing actions and strategies that further transit-supportive housing could help focus ODOT’s role in complementing transit-supportive housing practices.
<b>Transit Development Plan (TDP) Guidebook</b>	Offers tools for matching appropriate transit service with various housing and employment densities. Provides specific actions and analysis methods for determining transit needs including mapping low-income households and gaps in service.	No identified barriers.	Lacks guidance on planning transit service in conjunction with transit-oriented development (TOD). Lacks guidance on engaging developers, housing authorities and land use planners to ensure coordination between new housing and transit.	Guidance specifically addressing transit-supportive housing outcomes, analysis methodologies, and evaluation tools could be added to the TDP.

Document	Support	Barriers	Gaps	Opportunities
<b>Statewide Transportation Improvement Fund</b>	New, expanded, or improved transit service to low-income populations and areas previously not well served by transit.	No identified barriers.	No specific land use or location efficiency measures within the scoring criteria for the discretionary funds.	Additional funding evaluation criteria from the Oregon Public Transportation Plan regarding land use or transit-supportive housing could be added to the funding evaluation criteria.

More detailed information regarding the policies reviewed can be found in the Statewide Policy Review on the project website: [Oregon T+H State Policy Review](#).

### 2.1.3 Key Takeaways of Policy Review

The following takeaways inform ODOT and other agencies how they can better provide and plan for transit-supportive housing across the state.

1. Transit-supportive housing is not a well-defined concept nor a focused concentration within many of the policy and guidance documents. Many state-level policies affect the provision of transit, housing, and affordable housing, but few directly address all the concepts together. Many plans and policy documents are generally supportive or do not prohibit transit-supportive housing but are not designed to specifically encourage it. Relevant policy and planning documents should define transit-supportive housing and include a set of key policies to draw attention to and encourage it. A clear and consistent statewide policy position across multiple agencies could help to reach numerous statewide goals – improve housing production and affordability, reduce GHG emissions, etc. – and direct funding and investment toward these goals.
2. Coordination between state agencies and local and regional partners is key in addressing and delivering transit-supportive housing. Land use, housing, and transit, while addressed within local community comprehensive plans, are aspects of the built environment that are often planned independently by separate agencies. At the state level, ODOT's primary role is to provide transportation infrastructure and distribute funds that support transportation investments and services; DLCD is primarily responsible for land use planning, including housing and urban growth management; and OHCS focuses on funding for affordable housing. There is minimal overlap between these agencies when planning or developing policies for land use, housing, and transit. Greater coordination between the agencies could result in identifying opportunities for additional collaboration that may ultimately benefit Oregon communities. Delivering effective transit-supportive housing will require fostering a shared understanding of the concept and partnerships among these agencies and local jurisdictions.
3. There are opportunities to leverage recent legislative, executive, and agency actions to further transit-supportive housing policies. HB 2001 and HB 2003 (both passed during 2019) focus on missing middle housing\* and statewide housing needs, respectively. These actions will change how housing needs are met and, over time, how residential densities are distributed in many of Oregon's communities. Executive Orders 20-04 and 17-20 are focused on climate action and GHG emissions, establishing emissions targets, emissions reductions, and climate-related performance measures for both affordable housing and transportation projects. In addition to these actions, ODOT's SAP creates new priorities for the organization. Combined,

these actions create space to find opportunities to establish transit-supportive housing policies that address a combination of these initiatives within multiple state-level agencies.

4. Transit-supportive housing performance measures, evaluation criteria, and guidance would benefit any transit-supportive housing policy. As previously discussed, transit-supportive housing is not a strongly defined concept within Oregon state-level policies. If it becomes a policy focus, implementation will benefit from being able to assess outcomes, track goals, and refine strategies promoting transit-supportive housing.

## 2.2 Transit and Housing Study Survey

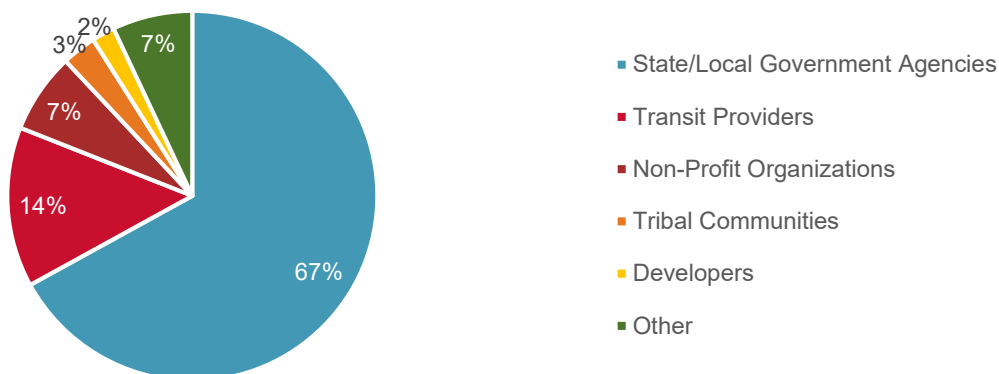
### 2.2.1 Purpose of the Survey

The purpose of the survey was to identify opportunities, challenges, and tools for better coordination between transit services and housing. A primary benefit of the survey was direct feedback from stakeholders and practitioners working around the state who have had a variety of experiences (successes and failures) navigating housing and transportation development projects. Questions asked about example projects, development obstacles, solutions to a variety of housing and transportation issues, and what could be improved in Oregon to better integrate housing and transit planning systems.

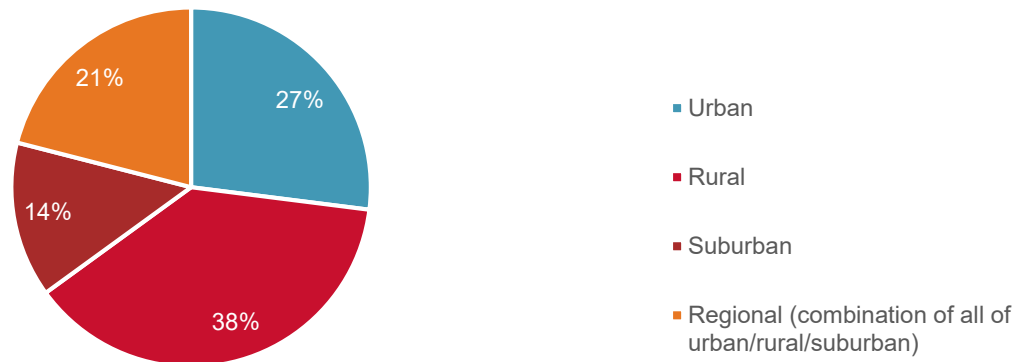
### 2.2.2 Methodology and Responses

Survey questions were tailored based on the type of organization the responder represents. The survey received 218 completed surveys out of the more than 600 surveys that were distributed, indicating a response rate of around 33 percent. Figure 1 summarizes the Organization Type each respondent represents, while Figure 2 shows the areas they serve.

**Figure 1. Respondent Organization Type**



**Figure 2. Area Type**



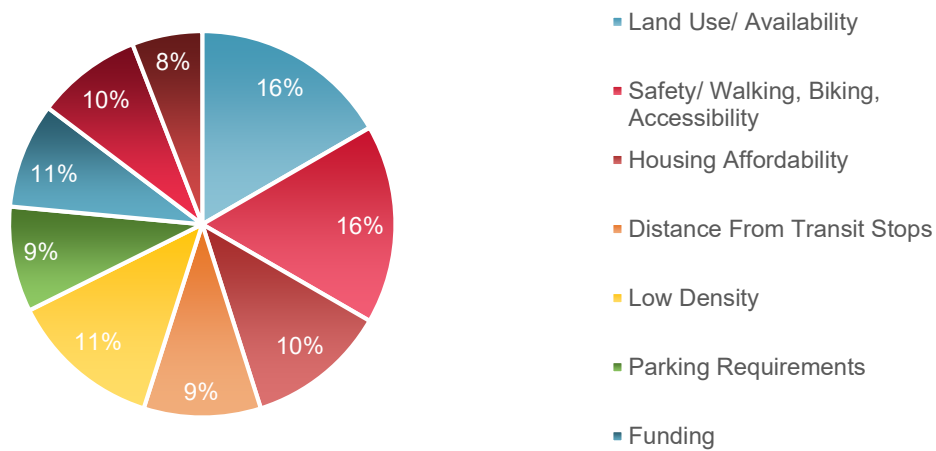
### 2.2.3 Findings

**Current Transit and Housing Co-Location Efforts.** The survey results indicate successes in current efforts to co-locate housing and transit. The most popular topics considered during collaboration efforts between housing and transit stakeholders included:

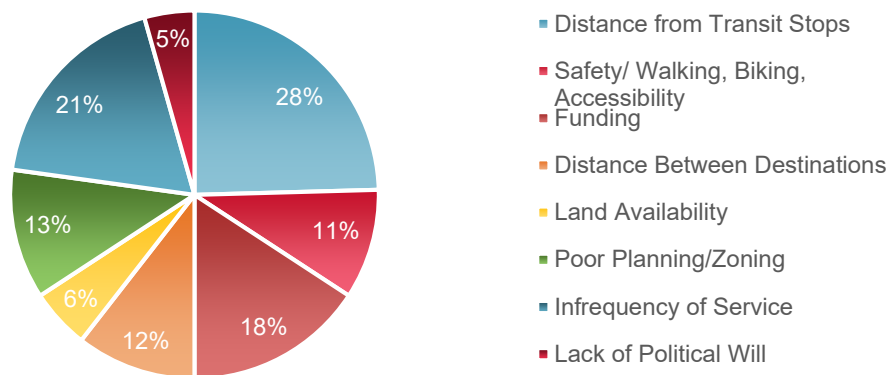
- Developers participate in and consider the Siting of Housing Development (44%) and Land Use Planning (33%)
- Transit Providers participate in and consider Transportation System Planning (14%), Land Use Planning (13%), and Development Review (11%)
- State/Local Government Agencies participate in and consider Transportation System Planning (19%), Coordinated Transit Planning (17%), and Siting of Transit Stops (17%)
- Non-Profit Organizations participate in and consider Transportation System Planning (18%) and Coordinated Transit Planning (14%)
- Tribes participate in and equally consider Coordinated Transportation Planning (13%), Land Use Planning (13%), Current Planning Decisions (13%), and Siting of Housing Development (13%).
- Other Respondents participate in and consider Land Use Planning (14%) and Siting of Housing Development (14%)

**Challenges to Co-Locating Transit and Housing.** Respondents indicate various challenges when developing transit-supportive housing in urban areas (Figure 3) versus rural areas (Figure 4). When asked about the main differences, respondents focused on issues such as housing density, frequency of transit service, and zoning regulations.

**Figure 3. Urban Barriers**



**Figure 4. Rural Barriers**



When asked to provide ideas and solutions for transit-supportive housing, respondents in both urban and rural areas stressed the need to improve access to transit, such as bicycling/walking access, as well as underlining the need for more transit-oriented development (TOD)\*. Additionally, respondents in urban areas stated the need for reduced parking requirements, while respondents in rural areas expressed the need to extend more transit service to their areas.

**Tools and Incentives for Co-Locating Transit and Housing.** Most respondents (72% total) indicated they do not currently offer incentives for developing transit-supportive housing. Of those respondents that do offer incentives, Figure 5 provides the most commonly used incentives:

**Figure 5. Incentives Offered by Type of Respondent**

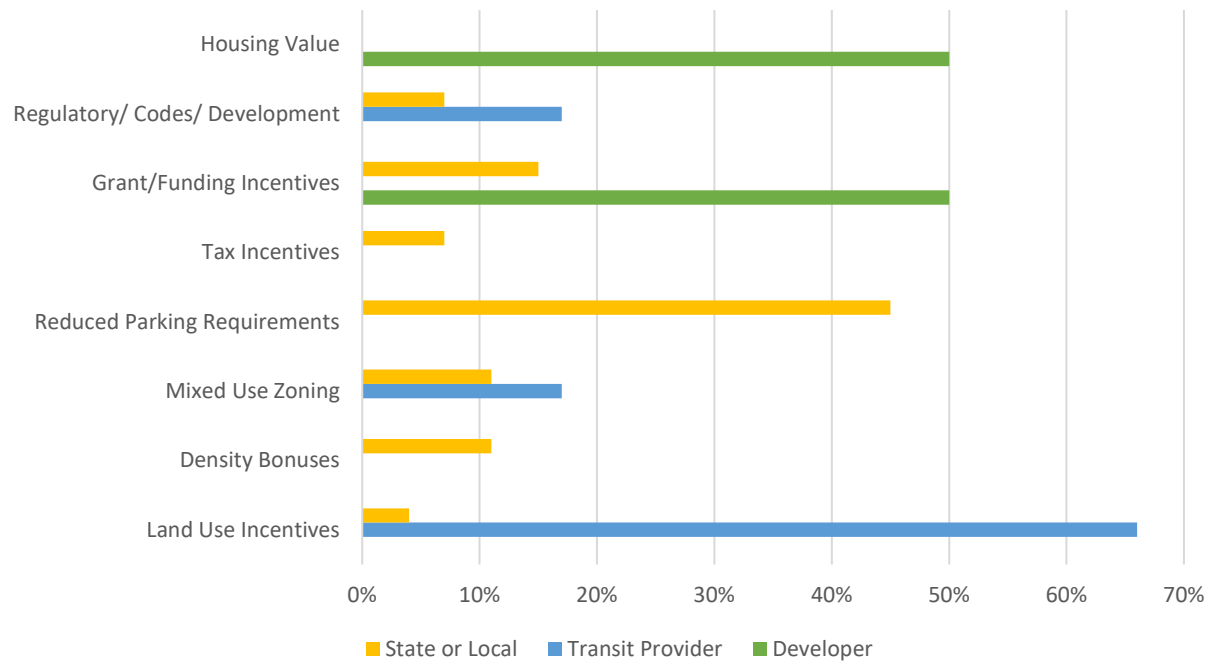
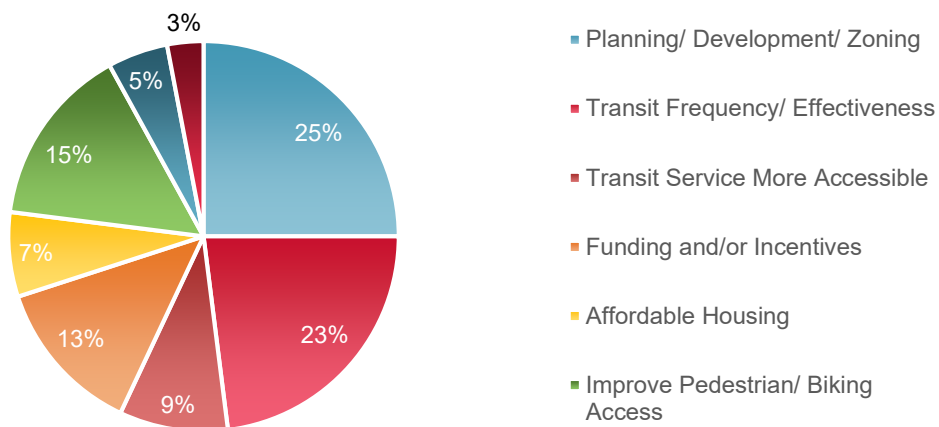


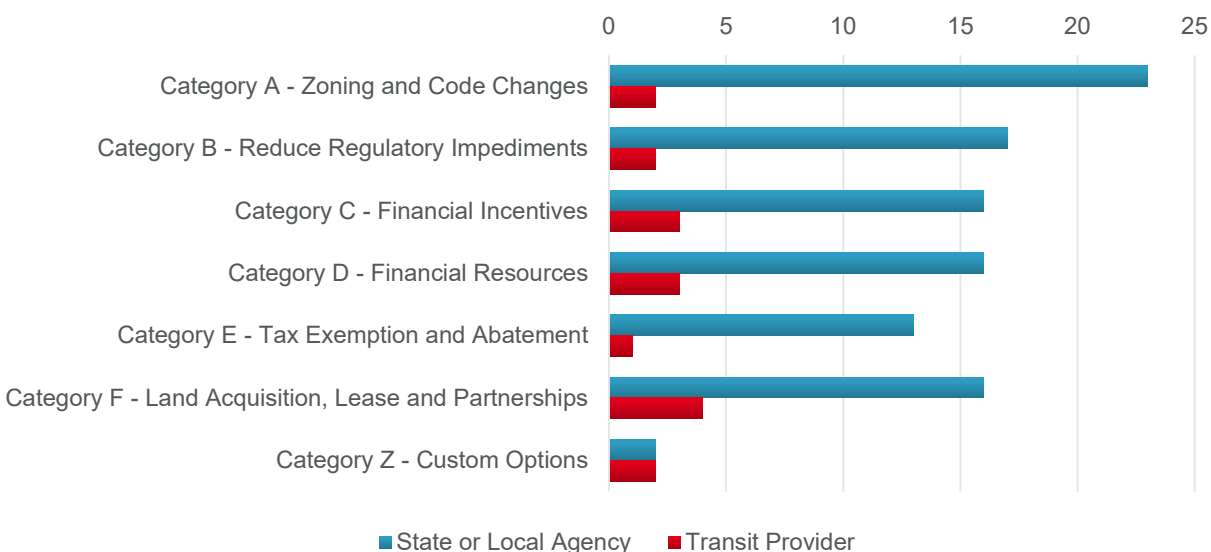
Figure 6 shows respondent-provided opportunities to improve access to transit-supportive housing.

**Figure 6. Opportunities to Improve Transit – All Responses**



The DLCD and OHCS agencies, along with other stakeholders, developed a toolkit that provides a comprehensive list of tools for local governments to consider supporting housing affordability and production. Approximately half of the respondents indicated they have not yet tried using the tools in the toolkit. This is most likely due to the toolkit having only been published within the last two years. Of the respondents that have tried using the toolkit, Figure 7 shows tools found to be most effective:

**Figure 7. Tools that Worked Well**



When asked which tools would be most beneficial in the future and most suited to support/develop affordable housing, the funding incentives and funding resources tools were the most suggested. All respondents indicated the need for additional funding to be able to use the tools, with rural areas specifying the need for more political support as well. Transit providers expressed the need for more partnerships, while State and local government agencies highlighted the need for additional staffing to better utilize the toolkit.

More detailed information regarding the survey results can be found in the Transit and Housing Study Survey on the project website: [Oregon T+H Online Survey Memo](#)

## 2.2.4 Key Takeaways for Transit and Housing Study Survey

The following three overall themes emerged from the Transit and Housing Study Survey.

1. Respondents want expanded transit service in small urban and rural areas. It is easy to coordinate transit and housing in areas with expansive networks of premium transit service (bus rapid transit and/or light rail transit) and high frequency bus service. It is much more challenging to make these connections when a bus only comes once an hour, and the coverage is limited. While it is not feasible to provide 15-minute or better transit service in every city or rural community in the state, further funding for transit in rural and small urban areas is highly requested item from the respondents. Ensuring access to a variety of transit services (e.g., fixed route, demand response, or Mobility on Demand\* throughout the state can help people meet life-sustaining activities and make connections to intercity transit service to access services in other parts of the state.
2. Respondents also support enhanced coordination efforts between housing and transit to increase density and/or development along existing transit routes. The availability of transit does not necessarily mean there is a sufficient level of coordination between transit providers, developers, and planning and zoning agencies. This sometimes results in new affordable, dense developments being built in areas where there is no transit service, or the route/service is limited and ill-prepared to handle the influx of potential customers. In addition to strengthening transit around existing housing developments or high-density areas, developers

of new affordable, dense housing can also be incentivized to work with transit providers and place these developments where there is sufficient transit capacity to support them. This can be done through, as mentioned by the respondents, relaxing parking requirements in targeted areas, promoting TODs, allowing for density bonuses (zoning provisions to allow more dwelling units to be built in a given area), or providing additional funding (grants or loans) for housing development projects that include transit in their plans.

3. There is a strong need for providing First Mile/Last Mile (FMLM) connections that ensure a user is able to connect from the transit network all the way to their destination. Even if transit is available to support housing, access to the transit network can still be a barrier, limiting its effectiveness. Numerous respondents highlighted the need to provide better FMLM connections to help access those areas where it is not effective to extend the transit route. This is accomplished through improving bicycle and pedestrian connections, such as sidewalk and crosswalk infrastructure, between housing and transit along with implementing micromobility\* programs (e.g., e-scooter, bike-sharing) where feasible.

## 3 Housing Market Primer

### 3.1 Purpose of Primer

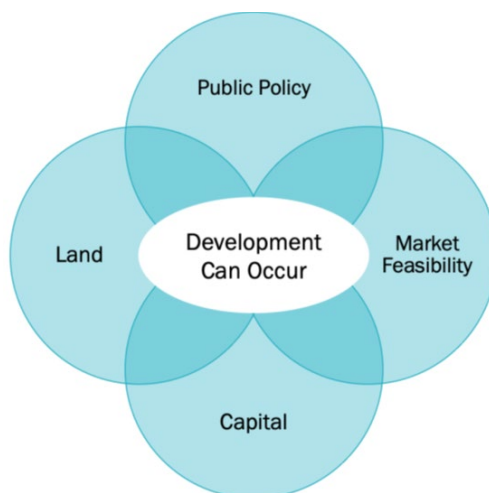
The Housing Primer discusses how housing markets function, who the major actors are and their roles, how the government intervenes to alleviate market failures, how costs and regulations inform development, and how real estate professionals make decisions on when and what to build. This foundational understanding of how, where, and why housing is developed is necessary to inform policy decisions that seek to encourage transit-supportive housing across Oregon.

### 3.2 Overview of Housing Market Functions

Housing markets are subject to the laws of supply and demand, though they are greatly influenced by government interventions. The demand for housing reflects the number of households with preferences for a given housing type (e.g., detached single-family, apartment), location, and price. Housing type preferences are unique to individual households that balance tradeoffs related to costs, incomes, features (e.g., bedrooms and bathrooms), design, and neighborhood amenities. Demand can be affected by changes in the desirability of an area, population, or the incomes of people seeking housing.

Housing supply consists of all housing units that exist and new units that are built. The private sector produces most new housing, and the market is governed by economic fundamentals of supply and demand, which is influenced by government regulation. Housing development relies on inputs set by numerous interrelated markets and players. Each input to development functions in its own market with supply and demand factors constantly in flux. Figure 88 illustrates the high-level factors that must align for a developer to be able to build new housing, and many of the same factors apply when developers are rehabilitating housing.

Figure 8. Real Estate Development Factors



- **Public policies**, like land use restrictions or zoning, dictate what types of development can occur and where. Adding new policies and removing existing regulations is a complex process with interactions and impacts across many sectors.

- On a **parcel of land**, landowners and property developers evaluate a site for the economically highest and best use\* allowed by zoning, be that office, residential, commercial, or vacant land, depending on the parcel's unique characteristics.
- **Market feasibility** is a robust process that assesses the demand for development – comparing the expected revenues against the investment costs (e.g., labor and materials) – for the desired types of development. Feasibility requires the development value to be greater than its costs; when the development value is smaller than the development costs, interventions are necessary to increase the value and/or reduce the costs. Otherwise, the project will not move forward.
- **Capital** is necessary to pay for the costs of development, and influences market feasibility through the financing terms set by the lender and expected investor returns. When real estate development cannot meet return requirements, return-seeking capital will flow to other sectors such as stocks and bonds.

**Development occurs** when all these factors align: land is available and properly zoned, regulations allow the desired type of development, the product is financially feasible, and capital can be deployed for an investment return. If any of these conditions are not met, development will not occur. Changes to any of these factors can determine when, where, and whether development is viable, as well as the types of development that can occur. Encouraging development is challenging, takes time, and requires input from numerous stakeholders (e.g., government, public, and development community).

Housing development is a multi-stage, multi-year process without a certain outcome. An entity must gain control of a parcel of land with an interest in developing it for housing. Multiple entities may be involved especially if the parcel is large or already developed. Then, architectural and engineering firms are contracted to design one or more project concepts, which are bound by local and state regulations and influenced by demand for housing units and types. Before a feasible project can be financed for construction, it must receive the necessary permits from local authorities. Moreover, financing must cover both the construction and operational phases of the development.

The development of affordable (rent or income-restricted) housing has added complexity because the rents or purchase prices needed to be affordable to the intended tenants are below what it costs to develop. This “funding gap” requires public subsidy or free or low-cost funding which are typically provided via competitive annual funding programs from federal, state, or local agencies. This slows down the speed at which development can occur and makes development more expensive (e.g., paying for lawyers and staff to complete applications for funding).

Markets fail when they inefficiently allocate resources. In the case of housing markets, this means that the housing units that are available (the supply) cannot be accessed by households that can afford them and prefer them (the demand). Historically, when housing markets fail, the populations who are impacted the most have been people with lower incomes, people who are minoritized, or otherwise marginalized households. In addition, when markets fail, they cannot fix themselves. Interventions to correct a market failure typically come from the government, philanthropy, or non-profit sectors. Markets can also fail when the collective willingness to pay (market demand) is insufficient to influence the production of enough units compared to the number of households living in a market.

One of the largest examples of market failure is a price increase that is met with too little new supply. Many parts of Oregon are facing a housing affordability crisis because housing market failures have accumulated over time. When there is a shortage of housing units compared to the number of households, the prices of existing and new units increase, sometimes so much that some households

are unable to afford their housing. Housing is typically considered to be affordable to a household when it consumes less than 30 percent of the household's pre-tax income. Households spending more than 30 percent on housing costs are considered to be cost burdened. When markets fail, government, philanthropic, or non-profit action is needed.

More detailed information regarding how housing markets function can be found in the Housing Market Primer on the project website: [Oregon T+H Market Primer](#).

### 3.3 Key Findings and Implications

The dynamics of the housing market are very complex and are constantly in flux, with many factors out of policy makers' control. Changes in demand and supply, movement in materials and labor markets that interact with each other and with development costs, and changes in housing preferences all affect the quantity, nature, and location of housing units that are demanded and supplied. Whether and where new units are built depend on physical constraints related to the land and regulations governing its use, and the costs of production.

Despite this complexity, coordinated government policy action and investment can have a strong influence on the nature and location of housing that is built. Special consideration should be given to how policy decisions and investments will help achieve (or hinder) public goals like housing affordability, avoiding displacement, economic mobility, and greenhouse gas reduction.

Developing an understanding of how housing markets function and fail, who the key players are, how they make decisions, and how governments can intervene to improve outcomes can help strengthen links between transportation, transit investments, and housing markets and development feasibility. Collaboration between housing and transit stakeholders during the early planning/development stages could assist with making more strategic decisions and deploying investments that can improve community outcomes relating to the availability and affordability of housing choice and efficient use of the transportation network.

## 4 Lessons Learned/Best Practices

### 4.1 Literature Review

The literature review explores the existing research on the relationship between locating transit-supportive housing near transit routes and stations and the related role of FMLM connections. The following prominent research studies were examined to determine the effectiveness of current methods being used to create transit-supportive housing in communities:

**Table 2. Literature Reviewed for Study**

Author(s)	Source
Boarnet M., Bostic R., Williams D., Santiago-Bartolomei R., Rodnyansky S., & Elsenlohr A.	<i>Affordable Housing in Transit-Oriented Developments: Impacts on Driving and Policy Approaches</i> . National Center for Sustainable Transportation. 2017
Byars M., Wei Y., & Handy S.	<i>State-Level Strategies for Reducing Vehicle Miles of Travel</i> . Institute of Transportation Studies. 2017
Center for Transit-Oriented Development	<i>Creating Connected Communities: A Guidebook for Improving Transportation Connections for Low- and Moderate-Income Households in Small and Mid-Sized Cities</i> . U.S. Department of Housing and Urban Development. 2014
Chapple, Karen and Loukaitou-Sideris, Anastasia	<i>Transit-Oriented Displacement or Community Dividends? Understanding the Effects of Smart Growth* on Communities</i> . MA: The MIT Press. 2019
Dill, J., Schlossberg, M., Ma, L., & Meyers, C	<i>Predicting Transit Ridership at the Stop Level: The Role of Service and Urban Form</i> . 92 <sup>nd</sup> Annual Meeting of the Transportation Research Board. 2013
Florida Department of Transportation	<i>Affordable Housing and Transit Final Report</i> . August 2020.
Harris, Erika	<i>Tools and Policies for Promoting Social Equity in Seattle Transit Communities</i> . Seattle Planning Commission. Abstract. June 4, 2012
Lung-Amam, W., Pendall, R., & Knapp, E.	<i>Mi Casa no es Su Casa: The Fight for Equitable Transit-Oriented Development* in an Inner-Ring Suburb</i> . Journal of Planning Education and Research. 2019
Nelson, A., and Hibberd, R.	<i>The Link Between Transit Station Proximity and Real Estate Rents, Jobs, People, and Housing with Transit and Land Use Planning Implications</i> . Transportation Research and Education Center. 2019
Padeiro, M., Louro, A., & Marques da Costa, N.	<i>Transit-Oriented Development and Gentrification: A Systematic Review</i> . Transport Reviews. 2019
Regional Transportation District	<i>First and Last Mile Strategic Plan</i> . Denver, Colorado. Spring 2019
Sloop, K.I., Adams, S., Hill, R., Arrington, G., Henke, J., Hull, E., Liden, K., Mar, C., & Viggiano, S.	<i>Transit in Small Cities: A Primer for Planning, Siting, and Designing Transit Facilities in Oregon</i> . Parsons Brinckerhoff. 2013
Twaddell, Hannah, and Emerine, D.	<i>Best Practices to Enhance the Transportation-Land Use Connection in the Rural United States</i> . Transportation Research Board. 2007
U.S. Department of Transportation	<i>Reconnecting America's Center for Transit-Oriented Development. 2007. Realizing the Potential: Expanding Housing Opportunities Near Transit</i> . DC: U.S. Department of Transportation. Federal Transit Administration

The literature review focused on the following areas:

- Policies, Practices and/or Barriers to the Co-Location of Transit Service, FMLM Connections, and Housing – strategies were examined for smaller communities and at the state level
- Addressing the Needs of Low-Income Households and the Potential for Gentrification
- The Role of Access to Transit and FMLM Connections
- Potential Barriers to Transit-Supportive Development
- Equity Implications

More detailed information on the Literature Review can be found in the Transit and Housing Study Literature Review on the project website: [Oregon T+H Literature Review](#)

#### 4.1.1 Key Takeaways of Literature Review

The literature review identified the following key findings for consideration as state and local governments, agencies, tribes, and transit providers develop policies and strategies to help provide connections between transit and quality affordable housing:

1. Housing located within TODs is often more expensive due to the attractive nature of TODs such as amenities, proximity to jobs and services, and/or access to other transportation options. Housing in such developments is often high quality and in high demand, leading to higher prices. The cost, however, may be offset by lower transportation costs leading to a potential net gain in overall affordability for households. When planning for housing in TODs, ODOT and its partners could consider transportation savings to determine if there is a net gain before developing and implementing additional programs in these areas.
2. Transit ridership depends on a variety of factors. It is influenced more by the quality of the service than the areas it serves. Successful transit should be part of a well-connected network with amenities, sidewalks, and FMLM connections to minimize barriers to transit access. Land use variables, such as housing and job density, complement transit service by creating an environment and providing a ridership base to support higher frequencies and premium transit services.
3. When designing new routes, evaluating changes to existing routes, or implementing a route redesign\*, it is important to evaluate accessibility changes to jobs and services for low-income residents. This involves determining the location of jobs and services in relation to transit routes, measuring travel time changes for low-income residents and affordable housing communities, and including agencies that represent low-income residents and affordable housing communities in the planning process. These efforts can help to preserve access for the groups and not leave them out of the conversation when transit investments are made.
4. Policies that disincentivize personal automobiles can harm low-income individuals. While increased gas taxes, congestion fees, parking restrictions, and other policies may be effective in decreasing personal automobile usage, a corresponding improvement in transit service and the availability of other transportation options is necessary to avoid increasing transportation costs for low-income households.
5. Transit investments create the potential for gentrification and resulting displacement. This potential needs to be anticipated and addressed during the planning processes.

6. Integrated transportation and land use planning between transportation departments, transit providers and local jurisdictions on topics such as zoning; transportation and transit planning; development review; and ongoing monitoring can help break down the compartmentalization of transit and land use/housing decisions, improving the potential to achieve transit-supportive housing.
7. FMLM and the urban form – the shape, size, density, and configuration of urban areas – matters. Convenient and safe multimodal connections between transit, housing, and land use density create conditions for transit and housing integration.

## 4.2 Case Studies

These case studies include original research, discussions with key individuals, and data from existing written sources to provide an overview of the successes and lessons learned of transit-supportive housing projects both within and outside of the State of Oregon.

### 4.2.1 Oregon Case Studies

**Table 3. Summary of Case Study Findings**

Project Location	Policy Tools	Lessons Learned
<b>Confederated Tribes of the Umatilla Indian Reservation (Nixyáawii)</b>	<ul style="list-style-type: none"> <li>Housing Needs Assessment (HNA) conducted to identify accurate housing needs.</li> <li>Subdivision plan with 99-year residential lease agreement adopted.</li> <li>Tribal leadership developed a TDP, which defined the mission and fare policy, as well as initial routes.</li> </ul>	<ul style="list-style-type: none"> <li>Easy coordination between the transit and housing development due to tribal control of both entities.</li> <li>Tribal leadership was able to gain a more realistic view of their current housing needs due to an objective HNA.</li> <li>The TDP provided the policy context to connect transit service to Nixyáawii</li> </ul>
<b>Eugene (Santa Clara Neighborhood)</b>	<ul style="list-style-type: none"> <li>Neighborhood Plan adopted following extensive stakeholder and community involvement.</li> <li>Parallel effort by the transit providers to develop a plan for corridor improvements and identify funding.</li> <li>City acquired a site for affordable housing through its Land Acquisition* for Affordable Housing program using Community Development Block Grant.</li> <li>System Development Charge exemptions to reduce development barriers.</li> </ul>	<ul style="list-style-type: none"> <li>Discretionary review process can inhibit affordable housing development. A clear and objective approval process combined with proactive neighborhood engagement to build support can make affordable housing development easier.</li> <li>Smaller transit providers may need support to advance affordable housing development on surplus property.</li> <li>Coordinated land use and transportation planning can set the stage for affordable housing development opportunities in transit-served areas, even if it takes time for that development to occur.</li> </ul>
<b>Ashland (Transit Triangle)</b>	<ul style="list-style-type: none"> <li>HNA conducted.</li> <li>Overlay Zone in the City's Land Use Ordinance.</li> <li>Vertical Housing Development Zone in parts of the Overlay Zone to incentivize mixed-use development.</li> </ul>	<ul style="list-style-type: none"> <li>Exemptions to making Transportation Planning Rule findings and related traffic impact studies.</li> <li>Alleviating parking minimums facilitates development of housing; parking maximums would also incentivize connections between housing and transit.</li> <li>HNA can provide the necessary objectivity to overcome preconceptions</li> </ul>

Project Location	Policy Tools	Lessons Learned
<b>Bend (UGB)</b>	<ul style="list-style-type: none"> <li>Pilot program that allows cities to expedite their UGB expansions if the new land is restricted for affordable housing.</li> <li>Comprehensive plan policies that are specific about what needs to be built along with deed restrictions and covenants to help demonstrate concrete development goals.</li> <li>System Development Charge waivers, gap financing, density bonuses, and expedited permitting.</li> </ul>	<ul style="list-style-type: none"> <li>It was unclear if the pilot program would create a meaningfully better or faster option to make land available for affordable housing development.</li> <li>Limitations on the pilot program, including requirements related to the site's value as farmland and availability of transit service, created limited opportunities to apply the program.</li> </ul>
<b>Roseburg Urban Renewal Area* (URA)</b>	<ul style="list-style-type: none"> <li>HNA conducted.</li> <li>URA.</li> <li>Local Innovation and Fast Track funding from OHCS.</li> <li>Conditional Use permit.</li> <li>Tax exemption program.</li> </ul>	<ul style="list-style-type: none"> <li>URA was a good tool for incentivizing housing development.</li> <li>City was exploring options for generating funding in the URA to provide financial assistance to developers.</li> <li>Project was successful because of the willingness and flexibility of numerous players and agencies to find a solution and work quickly.</li> </ul>
<b>Lincoln City (Workforce Housing)</b>	<ul style="list-style-type: none"> <li>Site purchase through URA.</li> <li>Funding through OHCS Local Innovation and Fast Track grants and 4 percent Low-Income Housing Tax Credits.</li> </ul>	<ul style="list-style-type: none"> <li>State funders need to better understand the infrastructure and site challenges on vacant parcels in rural towns, and coastal towns, which have unique weather and topographic challenges.</li> <li>Infrastructure challenges cannot fall to affordable housing developers who are already working from a market feasibility gap with below-market rents without additional public funding to pay for infrastructure upgrades.</li> </ul>
<b>Salem (Regulatory Changes and Development Incentives)</b>	<ul style="list-style-type: none"> <li>HNA identified need.</li> <li>Ongoing Comprehensive Plan update.</li> <li>Targeted one-property URAs.</li> <li>Rezoning of properties along transit routes.</li> <li>Establishing a Core Transit Network.</li> <li>Reduced or eliminated parking requirements near transit.</li> <li>Current TDP development and station area planning are directly informed by Comprehensive Plan update.</li> </ul>	<ul style="list-style-type: none"> <li>Regulatory incentives can be undermined if the City's goals and market demand are not aligned. Current policy allows and incentivizes but does not prescribe desired forms of development.</li> <li>Creating one-property URAs can be productive, but incremental and time consuming.</li> <li>Aligning target areas for mixed-use and multifamily development along transit corridors can make certain incentives more feasible or attractive to developers.</li> <li>Develop TDPs that are directly responsive to Comprehensive Plans and other land use planning documents.</li> </ul>

Project Location	Policy Tools	Lessons Learned
<b>Warrenton (Chelsea Gardens)</b>	<ul style="list-style-type: none"> <li>• HNA conducted to establish need.</li> <li>• Updates to City's Comprehensive Plan and Development Code.</li> <li>• Neighborhood Master Plan.</li> </ul>	<ul style="list-style-type: none"> <li>• Developments with various owners and properties of varying sizes need a fair and equitable allocation of infrastructure costs.</li> <li>• Concurrently working on both Development Code revisions and a master planning process can help the two processes inform each other.</li> </ul>

More detailed information on the case studies be found in the Case Studies – Outside Oregon and Oregon Case Studies reports on the project website: [Non-Oregon Case Studies](#) and [Oregon Case Studies.pdf](#).

#### 4.2.2 Key Takeaways

Creating conditions that result in more affordable, higher density housing near transit is a complicated undertaking, and often requires a combination of tools. The following highlights some of the key lessons learned from the Oregon case studies:

- A realistic understanding of actual housing needs, as provided by an HNA, can help eliminate misconceptions and direct efforts to the right targets.
- Coordination between land use and transit planning is key to successful developments and transit routes.
- Understanding market forces is important when undertaking regulatory changes as not everything that can be built will be built.
- Undertaking regulatory revisions concurrently with a master planning process can help the two processes inform each other.
- Reducing or eliminating parking requirements near transit can reduce the cost of development and incentivize transit use.
- A clear and objective approval process can make affordable housing development easier.
- URAs can be useful tools to incentivize housing development in a targeted fashion.
- State programs could adequately size requirements to accommodate smaller, often cash-strapped communities and affordable housing developers.

#### 4.2.3 Non-Oregon Case Studies

The non-Oregon case studies represent a diverse group of geographic areas ranging from dense urban areas to small cities and sparsely populated rural counties. They include projects – developments, policies, pilot programs – ranging from TOD and transit route realignments to greater accessibility through strategic stop placement. In addition, the selected case studies are from different stages of implementation – projects being proposed or researched, currently active, under development, currently in effect, or completed with tangible results. This allows an assessment of the goals of the approaches, the decisions made, how the program or tool was applied, and the lasting impact. From these case studies there are five key findings that can be applied to ODOT,

municipalities, and transit agencies as they implement transit improvements to urban corridors, plan new development in suburban areas, or reduce accessibility barriers in rural areas.

Many of the tools and strategies featured below should sound familiar as several are already being explored or implemented in Oregon. The next step is to take innovative approaches from outside Oregon, learn from them, and identify opportunities where existing Oregon programs could be improved, and new approaches applied.

#### 4.2.3.1 Look Beyond the Fixed Route

Looking beyond the fixed route means more than just looking at alternate ways to provide bus service. It is about focusing on the unique social and geographic needs of the community and devising a system that meets those needs. Rural, tribal, and small urban areas have unique challenges requiring flexible approaches to serving riders. The destinations and residents in these areas are typically spread apart, which can make fixed route service challenging to operate. Fixed route service is when transit runs along a predetermined, regularly scheduled route with fixed stops along the way. This type of transit service is predictable and easy to understand, but it is more efficient in areas with a higher density of both riders and destinations. When residents and destinations are more spread out, there are longer distances between homes and bus stops, creating a barrier to using the service. Other types of service, such as deviated fixed route, demand response, and Mobility on Demand service, can bring transit service to where people live as opposed to having people travel to a transit stop. Deviating from the main road to pick up or drop off a passenger or taking a rider closer to their destination, can provide more flexible options for a transit provider to provide more coverage in rural or small urban areas.

##### **Flexible Transit Service**

- The city of Valdosta, Georgia, decided that their residents would be best served by making everywhere within the city limits a potential transit stop.
- As part of their transit program, the Stillaguamish Tribe of Indians in western Washington has a rideshare program that provides services using volunteer drivers.
- *An Example from Oregon* – The Greater Oregon Behavioral Health Institute Non-Emergency Medical Transportation Pilot project in rural Eastern and Central Oregon uses Remix, a transportation planning tool, to connect existing routes with Medicaid members.

##### **Understanding the Transportation Needs of Current and Potential Users**

- StarMetro in Tallahassee, Florida, saw that by prioritizing transit service to serve commuters and increase ridership, a large portion of low-income riders were not adequately served. They altered their priorities to focus on increasing coverage rather than maximizing fixed route ridership which better served a greater diversity of the community.
- The Menominee Indian Tribe in Wisconsin coordinated with the local health clinic, so the tribal transit service will provide all non-emergency transportation that the clinic once provided for itself. For smaller systems, accommodating the specific needs of the community, rather than expanding its reach and frequency, can result in a more relevant transit service.
- *An Example from Oregon* – Origins and destinations for transit routes are chosen through transit development plans using results from rider surveys and other data.

#### 4.2.3.2 Collaboration is Key

Collaboration is vital for enhancing transit and housing planning and connections. It allows stakeholders – transit providers, planners, housing advocates, and developers – to assist in creating more convenient connections between transit and housing in partnership. These connections can occur in both the public and private sectors. Public agencies, particularly rural jurisdictions, can collaborate by coordinating transit operating funds, administrative staff time, and transit routes. Reducing unnecessary duplication of service and coordinating how service is provided in a region can also result in a more efficient transit service that is easier for riders to use. The collaborative efforts of non-profits and community-based organizations, with each other and with public agencies, demonstrate the transformative effects working together can have on a community.

##### **Non-profit and County Collaboration to Build Affordable Housing**

- Grand Traverse County in Michigan collaborated with two nonprofits to develop affordable housing with homeownership opportunities. The county is contributing by purchasing the land and providing infrastructure improvements, which can be a major cost barrier to nonprofits developing affordable housing.

##### **Developer and Transit Agency Collaboration**

- The developer of the Village at Grand Traverse Commons, a combination residential and retail development in Michigan, worked directly with the local transit agency early in development to ensure patrons and residents would have transit service.
- *An Example from Oregon* – Affordable housing was developed on the fringe of Bend, Oregon. The developer coordinated with the local transit provider to draft an agreement for extending transit service to his development near Bear Creek Road.

##### **Intra-Community Collaboration**

- The Stops for Us campaign in Minneapolis, Minnesota, created coalitions that cross the boundaries of race, culture, geography, and interests to advance equity and justice in the way growth and development happens in the Twin Cities region. The goal is to unite policy and advocacy organizations with place-based and culturally specific organizations to amplify their efforts.
- The Purple Line Coalition in Maryland collaborated in a similar fashion as the Stops for Us campaign, except that community-based organizations partnered with a university and got buy-in from government agencies. This enabled the community-based organization to leverage the university's research expertise to produce data-driven reports that supported their mission and apply pressure on local governments in a constructive way.

##### **Tribal and Community Services Collaboration**

- With few resources available to them, tribal governments are well-versed in collaborating with a diverse set of partners. This ranges from the North Carolina Department of Transportation awarding the Eastern Band of Cherokee Indians a planning grant for a transit development program, to the Sitka Tribe of Alaska partnering with a non-profit umbrella agency that is responsible for leveraging federal funding and contracting for transit services.

- *An Example from Oregon* – Transportation Development Plans are one way that Oregon fosters collaboration between transit providers and local jurisdiction planning departments, including tribal transit services. The transit development planning process in Oregon encourages transit providers and local/tribal governments to coordinate land use and transit for the next 5, 10, 15, and 20 years. Local government code amendments build this collaborative process into the development review process.

#### **KEY LESSONS LEARNED:**

- A clear and objective approval process between multiple government and private entities that are coordinating the development of affordable housing can streamline the process.
- URAs can be useful tools to incentivize housing development in a targeted fashion.

#### **4.2.3.3 Better Connections Mean More Affordability**

The location of housing in relation to transit service plays an important role in increasing the overall affordability of a housing development. For example, service workers along the Oregon coast tend to live further away from their places of employment because of high housing costs in the area due to tourism, vacation homes, etc. Low-income communities need affordable transportation options other than personal car ownership. If a developer or city chooses to place a housing development on the urban fringe where land is cheaper, but transit service is limited, the financial benefits of living there can be eroded by potentially higher transportation costs. Housing developments sited near high quality transit service can provide low-income communities, especially households without a personal vehicle, more affordable transportation options.

There are also differing transit needs in rural and urban/suburban areas. For example, in rural areas or small communities, transit coverage appears to be a more significant need for riders than housing development. In these areas, flexible transit service may be a more feasible method of connecting transit with affordable housing. Whereas, in urban/suburban areas, where robust transit services may already exist, subsidizing or preserving housing, FMLM connections, and transit stop placement is likely more significant to riders. Therefore, the scale of housing development should be relative to the service area and consider the needs of the existing riders, as well as potential riders, when determining the housing needs in the area.

- Traverse City, Michigan, and the neighboring counties used infill development and interagency collaboration to develop two affordable housing units that were directly connected to existing transit lines as well as a host of other amenities.
- The Washington State Legislature passed a law making it easier for Sound Transit-owned land at transit stations to be developed into affordable housing. This was especially important as land values were so high in areas where affordable housing would be most beneficial, it was not feasible for affordable housing developers to compete in the real estate market.
- *An Example from Oregon* – As part of ODOT's Transportation Safety Action Plan work, safety was analyzed for bikes, pedestrians, and transit for Black, Indigenous, and people of color communities versus just for Single Occupancy Vehicles\*. Planning in this fashion can help with identifying potential FMLM connections to transit.

#### **KEY LESSONS LEARNED:**

- Coordination between land use and transit planning is key to successful developments and transit routes.

#### **4.2.3.4 Support those Building the Affordable Housing**

There are times when prime locations for both affordable housing and transit come available, but land values are so high that development of affordable housing is not feasible. As previously mentioned, siting housing developments adjacent to transit creates a significant amount of benefit for low-income populations as it connects them to more job, education, and social opportunities. By focusing on the location of available land rather than prioritizing the price of land, in which most cases the least expensive land is not adjacent to transit and often far from transit, public agencies and other organizations that can support affordable housing developers' ability to build where the residents would be best served by transit. Developers can be incentivized or supported to build closer to transit services through strategies such as allowing density bonuses, tax benefits, or other financial benefits for the developer. These case studies identified other strategies, by either subsidizing the cost of the land or by saving the developer time in designing a proposal.

- Sound Transit in Seattle, Washington, set up a Revolving Loan Fund to make its surplus properties more affordable to non-profit developers committed to making quality affordable housing.
- The Purple Line Corridor Coalition made an online geospatial tool that quickly identified all plans, regulations, and zoning codes a developer would need to consider when designing a proposal.
- *An Example from Oregon* – The city of Eugene provided surplus land acquired through the Land Acquisition for Affordable Housing Program and partnered with St. Vincent de Paul, a non-profit affordable housing developer, to build 53 units along River Road, which had access to existing transit services.

#### **4.2.3.5 Engage Consistently**

Public engagement does not end when the project is implemented. Continual engagement with those who will use transit services brings better understanding of their needs and ultimately a better designed service and better integration with housing. It is also vitally important that engagement be done through an equity lens. This means acknowledging that not all communities are starting from the same starting point and actively bringing underrepresented voices to the table.

#### **Communities Engaging with the Decision Makers**

- The Purple Line Coalition and Stops for Us represented communities consistently engaging with decision makers to see the change they knew they needed. The group was effective because they broadened their efforts from completing surveys to directly lobbying the U.S. Department of Transportation, participating in planning commissions to publishing data-driven reports, and attending open houses. Communicating a clear message consistently via a multitude of communication methods increased their message's reach.

## Decision Makers Engaging with Communities

- PalmTran transit agency in West Palm Beach, Florida, actively engaged with the community in a variety of forums to determine how best to design a coverage-based transit service. Through this engagement they changed their initial plans to include better service for seniors and low-income populations.
- Sound Transit in Washington State is tasked to collaborate extensively with local jurisdictions to implement TOD and engage with communities of color, immigrants, refugees, and other underrepresented and vulnerable populations actively and transparently.
- The counties and cities along the Purple Line Corridor Coalition in Maryland engaged with the Coalition in an innovative way: they signed and accepted the terms of a non-binding voluntary agreement, thus pledging to pursue and annually review progress toward agreed-upon goals as well as the strategies and actions in the Pathways to Opportunity: Purple Line Corridor Action Plan. Even though this did not have any legal weight to it, this symbolic act demonstrated to the community that public leaders were bound to a social contract to follow through with their promises.
- *An Example from Oregon* – ODOT developed the Equitable Engagement Compensation Policy to help bring underrepresented voices to the table in transportation planning.

## 5 Implementation: Tools and Actions

The Oregon Transit and Housing Study Toolkit (toolkit), found at: [Oregon T+H Toolkit](#), is a standalone document, intended to provide an overview of tools and actions that could be employed by state and local (metropolitan, city, county, and tribal) agencies, transit providers, community-based organizations, and developers to encourage and promote diverse transit-supportive housing options. It represents a summary of the tools and strategies found during the literature review, in developing the housing primer, in conducting the case studies, and by analyzing the survey results.

The toolkit is designed as an interactive PDF that allows readers to quickly access the information they are most interested in or that is most relevant to them by clicking on the appropriate hyperlinks. It is organized in four categories that enable users to focus on the information that is most pertinent to them:

1. Transit System and Services
2. Land Use and Zoning Incentives and Tools
3. Financial Incentives and Tools
4. Partnerships and Engagement

Each category contains a variety of tools and actions. Clicking on a tool reveals further information including a detailed description, an assessment of the tool or action's level of complexity, information about where and by what entity the tool may be used, and real-life examples of the tool's application.

In the Transit System and Services category, tools and actions range from coordinated transit and land use planning to expanding transit service and using remnant land for housing. For example, the Lane Transit District in Eugene, Oregon acquired a station site that is larger than required and intends to sell the unused portion for development, possibly with affordable housing.

In the Land Use and Zoning Incentives and Tools category, tools and actions range from comprehensive plan changes to rezoning for multifamily along transit corridors and waiving parking minimums. For example, Salem, Oregon, has reduced parking requirements for multifamily development and eliminated them completely near transit corridors.

In the Financial Incentives and Tools category, tools and actions range from property tax abatements to waiving system development charges\* and free or reduced transit fares. For example, Kayak Public Transit, a tribal-owned transit provider, offers free fixed route regional bus service in northeastern Oregon and southeastern Washington.

In the Partnerships and Engagement category, tools and actions range from identifying stakeholders to building coalitions and continually engaging with the public, operators, and community stakeholders. For example, part of the success of the Palm Beach County, Florida, route redesign was meeting regularly with bus operators.

## 6 Conclusions

### 6.1 Summary

In the provision of transit-supportive housing, there are many different players with varied roles and responsibilities including state agencies, local governments, developers, affordable housing operators, transit providers, and more. While no one party can resolve all aspects of linking transit and housing, each partner has a crucial role to play in improving transit-supportive housing throughout Oregon. Below are integrated lessons from this Study, applicable to multiple roles and partnerships.

#### 6.1.1 Lead With Clear Policy Direction

A clearly defined, consistent statewide policy position on transit-supportive housing can help foster a shared vision among statewide entities who guide local decision-making processes. A sound statewide policy will help direct funding and investment toward transit-supportive housing efforts and can complement numerous other statewide goals, such as increasing affordable housing and lowering GHG emissions. Recent legislation and executive orders (e.g., HB 2001, HB 2003, and Executive Orders 20-04 and 17-20) have addressed equitable housing goals, climate action, and GHG emissions; and established emissions targets, emissions reductions, and climate-related performance measures for both affordable housing and transportation projects. These are closely related to transit-supportive housing goals, but specific performance measures, evaluation criteria, and guidance may be needed on a statewide level to track the success of transit-supportive housing efforts throughout the state.

Similarly, regions, metropolitan areas, and others can articulate clear goals for transit-supportive housing in plans and local policy and ordinances. These can help align all the players in a region to meet shared transit and housing goals. Recent requirements for housing needs analyses and production strategies, metropolitan climate targets, and climate-friendly and equitable community planning can help further this process.

#### 6.1.2 Early Collaboration is Critical

The Transit and Housing Study showed that enhanced collaboration efforts between housing and transportation stakeholders is needed to improve transit-supportive housing efforts. Across many sectors, different entities are engaged with transportation, land use, and housing, and there is often limited coordination between these organizations when planning or implementing land use changes, housing development, and transit services. An increase in communication and shared understanding among different stakeholders could help bridge the gaps. With encouragement or support:

- Housing and transportation stakeholders could better collaborate during the early planning and development stages to ensure a cohesive approach to building transit-supportive housing.
- Affordable housing advocates could participate in transit planning processes, and transportation-related entities could include housing stakeholders in advisory committees.

### 6.1.3 Leverage Existing Transit Service

The study also showed that additional measures can be taken by state and local governments, transit providers, and developers to align housing and land use plans to leverage existing transit service and develop affordable housing along existing transit corridors. With encouragement or support:

- Local governments could update development regulations and land use plans to optimize housing development adjacent to fixed route transit.
- Publicly owned land near transit services could be considered for housing development.
- Transit-supportive private housing development could be encouraged in transit-served areas through financial and regulatory incentives, including creating statewide tax benefits or offering density bonuses to developers that choose to build affordable housing near existing transit services.

### 6.1.4 Adapt to Provide Transportation and Housing Connections and Options in New Areas

Affordable housing development cannot and should not be limited to areas with existing fixed route transit services. Other approaches can help provide housing and transportation options that are affordable to a wide range of households in more areas:

- Coordination between affordable housing development and transit providers can create a path for expanded transit service to connect to areas planned for transit-supportive development and affordable housing.
- In rural areas, different solutions may be needed, such as creating FMLM connections to link potential riders to areas with existing transit services to expand opportunities for these communities. Proposed affordable housing projects in these areas should not be penalized because fixed route transit is not currently available.
- A greater focus on equitable distribution of affordable housing and housing options in policy could be paired with increased focus on providing a range of transportation options in areas that are not currently transit supportive.

### 6.1.5 Center Equity and Affordability in Planning for Transit Service

Additionally, transit providers, local governments, state agencies, and others can do more to provide transit and transportation options to areas that already have or are planned for transit-supportive land uses and/or affordable housing (“naturally occurring” or income-qualified affordable housing). With encouragement or support:

- Transit providers should go beyond minimum requirements to optimize access for current or future low-income residents when making service and route changes.
- Affordable housing providers should advocate for the needs of their residents and coordinate with transit providers to provide better connections to transit.
- Agencies should enable community-led processes that advance equitable solutions and investments that can help prevent or mitigate displacement risk when transit service is increased to an area with existing naturally occurring affordable housing or populations at risk of displacement.

The Transit and Housing Study provides a comprehensive analysis of the current conditions for the development of transit-supportive housing in Oregon. While further work must be done to create more transit-supportive housing opportunities, the survey illustrates stakeholders' readiness to strengthen collaborative efforts and identify solutions to the various barriers hindering transit-supportive housing endeavors. Implementing the actionable strategies listed above, coupled with the use of tools and strategies provided throughout the study, will help advance these efforts and improve the overall quality of life for Oregonians.

### 6.1.6 Moving Forward

This study took place over a 20-month period from January 2021 to September 2022. During this time, Oregon and the rest of the country were dealing with the impacts of the COVID-19 pandemic and its aftermath. Many professionals were able to work from home and have many of their needs met remotely through online shopping. However, low-income individuals and front-line workers were required to continue to travel to work. These individuals had to commute from suburbs, rural areas, or inner-city neighborhoods to their places of employment. While many were previously able to rely on transit for some or all their transportation needs, the pandemic led to reduced ridership and revenue and therefore reduced transportation services, making it harder for residents to get around. As a result, the pandemic placed a new focus on the connection between transportation and housing with those with means able to stay in place to meet their needs but those without continued to travel significant distances.

This project focused less on the commute and more on the community. It is about helping meet demands for housing with spaces for office/retail available nearby. In addition, it is about preparing for diverse household needs with small sizes, dense live/work environments, and aging in place principles. Lastly, it is about using transit investments, community engagement, and a variety of tools to decrease transportation costs to make living in urban, suburban, and rural areas easier.

Going forward, this report will help agency staff and decision makers in understanding affordable housing needs and integrating them with transit infrastructure. It can help to guide public investment and lead to denser developments along bus, streetcar, and/or rail lines. It also can help implement national and statewide emissions initiatives to help meet climate change targets. Most importantly, this project provides recommendations and strategies to help make Oregon a better, more affordable place to live.