



U.S Department of Transportation
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Policy Statement on TOD

Purpose

The Department of Transportation (DOT) is providing this Policy Statement to reflect the Department's support for transit-oriented communities and developments that promote equitable development outcomes and increased revenue and economic impact for public transportation service providers and local governments. This policy statement does not have the force and effect of law and is not meant to be binding in any way. The policy statement is intended only to provide information to the public regarding existing requirements under the law or agency regulations.

Transportation and land use reforms are central strategies to achieving many of the goals that President Biden has set for the nation – reaching net-zero greenhouse gas emissions by 2050 in the fight against climate change; addressing the housing supply and affordability crisis throughout the country; and advancing equity, fair housing, civil rights, racial justice, environmental justice, and equal opportunity.

Background

Housing and transportation are the two largest expenditures in household budgets, with low-income households significantly burdened by these costs. In addition to being a driver of the high cost of housing and transportation, uncoordinated land use and transportation policies are a root cause of greenhouse gas emissions due to additional Vehicle Miles Traveled (VMT) that stems from designing communities that de facto require a personal vehicle simply to participate in the economy or access basic necessities. Encouraging more walkable and transit-supportive communities through coordinated land use and transportation planning can help reduce greenhouse gas emissions, which disproportionately impacts the quality of life and health outcomes of Americans living in disadvantaged and historically marginalized communities

More broadly, transportation is responsible for one-third of the United States' greenhouse gas emissions, more than any other sector, with the majority of these emissions being produced by light duty vehicles. Modal shift, driven by investment in a wide array of transportation modes, including passenger rail, public transportation, micro-mobility, biking, walking, and rolling by wheelchair or stroller, is key to reducing emissions. Housing is in short supply and high demand

in many areas around the country, driving up costs, and pricing many existing and would-be residents out. Locating more housing, especially more mixed income and affordable housing, near transit centers, rural downtowns, and mobility hubs, puts more jobs and economic opportunities within reach without the need to own a car. Integrating transportation and land use can help support these investments and create housing that is accessible to households of all sizes and incomes.

Definitions

Equity, as defined in Executive Order 14901, is the consistent and systematic treatment of all individuals in a fair, just, and impartial manner, including individuals who belong to communities that often have been denied such treatment, such as Black, Latino, Indigenous and Native American, Asian American, Native Hawaiian, and Pacific Islander persons and other persons of color; members of religious minorities; women and girls; lesbian, gay, bisexual, transgender, queer, and intersex (LGBTQI+) persons; persons with disabilities; persons who live in rural areas; persons who live in U.S. territories; persons otherwise adversely affected by persistent poverty or inequality; and individuals who belong to multiple such communities.

Equitable development, as defined in Executive Order 14901, is a positive development approach that employs processes, policies, and programs that aim to meet the needs of all communities and community members, with a particular focus on underserved communities and populations.

Community wealth building, as defined in Executive Order 14901, refers to an approach to economic development that strengthens the capacities of underserved communities by ensuring institutions and local economies have ownership models with greater community participation and control. This results in upgrading skills, growing entrepreneurs, increasing incomes, expanding net asset ownership, and fostering social well-being.

Civic infrastructure refers to the assets, services, and amenities that support a community's social, economic, and civic well-being, including but not limited to health centers, libraries, community and recreation centers, arts and cultural venues, retail space for small businesses, community-serving financial institutions, job training centers, business incubators, community marketplaces, parks, trails, urban agriculture and community gardens, main streets, and public squares.

Policy Statement

The U.S. Department of Transportation is committed to advancing equitable and sustainable transit-oriented communities by providing financial assistance through its discretionary programs administered by the Office of the Secretary, Build America Bureau, Federal Highway Administration, Federal Railroad Administration, and Federal Transit Administration. So today, as we work to achieve ambitious and historic greenhouse gas emissions reduction targets, and implement the Biden-Harris Administration's historic investments through the American Rescue Plan, Bipartisan Infrastructure Law, Inflation Reduction Act, executive orders mandating U.S. leadership on climate change and advancements on racial equity, and the Administration's

Housing Supply Action Plan, the Department encourages TOD projects to meet the following public benefit outcomes:

- **Value Capture and Public Benefit:** TOD projects should generate revenues and other benefits for public transportation and local governments by prioritizing public or private land both in close-proximity and accessible to stations and by encouraging development designed to be transit oriented.
- **Mixed Income and Mixed Use:** TOD projects should increase the supply of a wide range of housing and commercial space. Housing should be attainable and affordable for mid- to very low-income households for the long-term and commercial space should be accessible to small businesses and organizations for uses and activities reflective of community need, including but not limited to social/human services and addressing food insecurity.
- **Anti-Displacement:** TOD projects should not force existing residents and businesses to relocate, either directly or indirectly. Instead, projects should facilitate stability and retention through meaningful public engagement and preventative actions and measures.
- **Wealth Building:** TOD projects should promote opportunities for community wealth building and ownership, including incorporating affordable live-work units and commercial space for local business, particularly for Minority Disadvantaged Business Enterprises and women-owned enterprises.
- **Reinvestment:** TOD projects should prioritize revitalization of communities marginalized by underinvestment and a disproportionate share of climate impacts. This can also include adaptive reuse of commercial spaces for residential purposes or other uses that reactivate commercial corridors.
- **Climate Mitigation and Resilience:** TOD projects should promote positive climate outcomes in communities most vulnerable to climate change by incorporating sustainable design, construction materials, and infrastructure that adapts to the impacts of climate change and supports decarbonization through reductions in VMT and modal shift.