

# Charlotte Region Transit Station Area Joint Development

Principles and Policy Guidelines

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# Introduction

The Charlotte region is at the beginning of a process to invest in the establishment of an extensive rapid transit system. One of the keys to the long-term success of this investment is creating station areas that are major activity centers made up of a wide range of land uses. To help foster the proper growth of station areas, the City of Charlotte, Mecklenburg County, the Metropolitan Transit Commission (MTC), and the towns of Cornelius, Davidson, Huntersville, and Matthews adopted Transit Station Area Joint Development Principles in 2002.

Adoption of the Principles provided a framework for local governments and the Charlotte Area Transit System (CATS) to encourage and promote transit supportive development at public transit stations while not have a deleterious impact on adjacent neighborhoods. However, it is necessary for communities to move beyond the level of simply encouraging and promoting transit supportive development. In order for local governments to realize the goal of creating mixed and multi-use transit stations, they must be provided with the tools to do so. For that reason, joint development policy guidelines have been created that will give the adopting communities the means to foster the type of station development that will help ensure the success of the rapid transit investment. The following pages provide the details on the tools recommended for adoption, and the steps necessary for their successful application.

## ***JOINT DEVELOPMENT PRINCIPLES***

To provide a framework to be used by local governments to encourage and promote transit supportive development at transit stations

## ***JOINT DEVELOPMENT POLICY GUIDELINES***

Tools to implement Principles and station area plans

# Public Facilities

## PRINCIPLE OBJECTIVE

Encourage complementary public facilities (such as schools, parks/open space, libraries and social service organizations) at or near transit stations to serve both transit users and surrounding neighborhoods.

## POLICY OBJECTIVES

**A. Public Parks/Plazas:** Identify desired sites for small public parks/plazas (up to 4 acres) through the station area planning process. Work with Mecklenburg County Park and Recreation to incorporate these facilities into the Parks Master Plan, acquire land, and improve the parks/plazas. For station area park/plaza acquisition, reserve money from land banking funds for early acquisition of parks/plaza sites.



Urban park

**B. Libraries:** Locate new full service libraries with station areas when the station area is located within the proposed library's service area, as indicated on the Library Master Plan. These libraries should be located within a transit-oriented, multi-use or mixed-use development or in a joint-use development with other public entities. Work with the Library Board to develop a concept for small, outlet library facilities at the station and test this concept at a limited number of stations.



Books By Rail window, Portland, OR

**C. Recreation Centers:** Locate recreation centers within a station area when the station area is located within the proposed recreation center's service area, as indicated by the Parks Master Plan.

**D. Schools:**

- Existing Schools: Consider the locations of existing schools when locating transit stations, and provide an effective transportation link to schools that are near but not within walking distance of a transit station. Additionally, the station area may serve as an attractor for some of the special programs (countywide magnet programs, pre-kindergarten programs and before/after school programs, etc.) within the district and could support families who live in close proximity to station areas.

*Public Facilities cont'd*

- **New Schools:** Consider transit corridors and station locations as one of the criteria in the site selection process as indicated by the Long Range Schools Facilities Master Plan. Specifically, work with the Board of Education to consider:
  - New school prototypes that support both the district's curriculum-based facility standards and Transit Station Area Principles; and
  - New or significantly renovated schools that may facilitate programs such as pre-kindergarten or before/after school care which might encourage residential development in transit corridors.

Also, consider joint use opportunities with schools when a library or park is proposed near a transit station.



*University of North Carolina at Charlotte*

- E. Colleges and Universities:** Work with Central Piedmont Community College and other local colleges and universities to locate facilities within rapid transit station areas.
- F. Government Service Centers:** Encourage joint use development in station areas through the development of strategically located government service centers (Police, Dept. of Social Services, libraries, post offices, etc.). These service centers should be consistent with station area plans and transit supportive development principles. They may be "stand alone" or located within a larger multi-use or mixed-use development.
- G. Medical Facilities:** Encourage medical facilities, especially hospitals and urgent care facilities, to locate within transit station areas.
- H. Surplus Transit Property:** Make public facilities, as part of a larger multi-use or mixed-use project, a high priority for surplus transit property.
- I. Joint Land Acquisition:** Explore the potential for joint land acquisition, when public facility needs for land have been identified in advance of CATS purchase of land for transit stations.
- J. Public Facilities Standards:** Work with public facilities providers to develop new public facilities standards that are consistent with the urban context of the transit stations.
- K. Public Facilities Financing:** Public agencies responsible for financing of public facilities shall provide financing sufficient for the development, maintenance and operation of such facilities over their expected life cycles.



*Transportation Center, Charlotte, NC*

# Public Infrastructure

## PRINCIPLE OBJECTIVE

Provide the basic public infrastructure within available jurisdiction resources in station areas (such as water and sewer, streets and roads, and sidewalk facilities) needed to serve transit supportive development. At selected stations or in selected portions of the station areas, prioritize and provide for additional infrastructure improvements to serve as a catalyst for new transit supportive development.

## POLICY OBJECTIVES

- A. Station Area Infrastructure:** Develop and implement a capital investment plan for each station area that:
- Is consistent with the station area plan;
  - Is multi-departmental;
  - Focuses on providing adequate underground infrastructure (water and sewer, stormwater) for station area plan development;
  - Provides sidewalks, intersection improvements, local street improvements (including new streets), streetscape improvements, pedestrian lighting and bicycle facilities between stations and existing residential or other transit supportive developments, and meets other high priority station area plan objectives;
  - Makes the station area attractive to promote transit usage and transit-oriented development and redevelopment;
  - Includes an infrastructure funding mechanism that will be used to upgrade existing infrastructure or install new infrastructure in conjunction with private sector development; and
  - Considers the development of regional storm water flood control and water quality improvement facilities that will encourage multi-objective facilities, integrated into other



Sidewalk next to South Corridor Trolley/LRT line, Charlotte, NC



Line repair crew, Charlotte, NC



Utility crew, Charlotte, NC

## *Public Infrastructure cont'd*

land uses such as parks, open space, etc. and allow detention to be placed in the most beneficial location, which may be either inside or outside the transit station area core.

Improvements should be scheduled to maximize the amount of infrastructure installed prior to initiation of transit operations. This will ensure that the improvements are installed cost effectively and in a manner that will not adversely impact future upgrades.

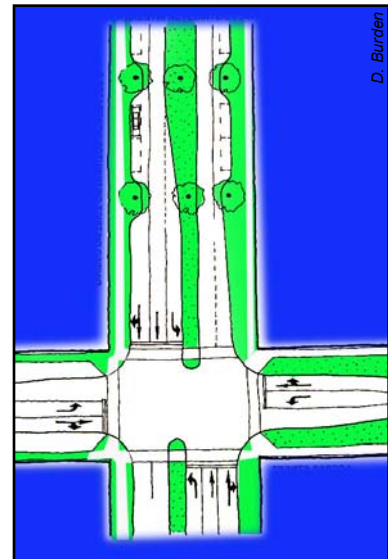
**B. Private Utilities:** Develop partnerships with private utility providers (such as Duke Power, BellSouth, and Time Warner Cable) to explore putting utilities underground within transit station areas to ensure adequacy (i.e. if an area is now industrial and is going to become residential, the infrastructure need would be different).

**C. Public Utilities:**

- Stormwater Facilities: Expand the stormwater economic development program to transit station areas.
- Water and Sewer Facilities: Explore changes to Charlotte-Mecklenburg Utilities (CMU) policies.

**D. Streets:**

- State-Maintained Streets: Develop an agreement between municipalities and NCDOT about the types of infrastructure improvement desired for state controlled roads. In particular, stress the importance of pedestrian and bicycle circulation within station areas.
- Design Standards: Develop new street design standards that reflect transit supportive development principles.
- Right-of-Way (ROW) Abandonment: Implement an expedited ROW abandonment process to support transit-oriented development efforts.
- New Streets: Consider development of programs that would fund construction of new street segments shown in adopted Station Area Plans in conjunction with station area development and/or redevelopment.



*Conceptual drawing of a road redesign*

**E. Public Infrastructure Financing:** Public agencies responsible for financing of public infrastructure shall provide financing sufficient for the development, maintenance and operation of such infrastructure over their expected life cycles.

# Housing

## PRINCIPLE OBJECTIVE

Support the development of housing, which is affordable to a broad cross-section of the workforce and community and provides a variety of housing choices near transit stations.

## POLICY OBJECTIVES

[Note: The Assisted Multi-Family Housing Development Policy at Transit Station Areas was adopted by the Charlotte City Council and made effective January 1, 2002. *City* herein refers to the City of Charlotte.]

### A. Development of Affordable Housing:

The City shall aggressively pursue opportunities to develop affordable housing within transit stations areas when participating in joint development projects such as building or providing loans for infrastructure, acquiring land, and/or other economic development initiatives. A transit station area is generally defined as the area within a 1/2-mile walking distance of an identified rapid transit station.



*First Ward, Charlotte, NC*

### B. Assisted Multi-Family Housing within Mixed-Income Developments:

Assisted multi-family rental housing is a development receiving assistance from local, state or federal government and serving households earning 60 percent or less than the area median income. The assisted multi-family housing policy excludes single-family detached, elderly and special needs housing. The City adopted policy calls for:

- Development of assisted multi-family housing within 1/4-mile of a transit station when part of a mixed income housing development.
- The City shall encourage the development



*Memphis, TN*



*Pittsburgh, PA*



## *Housing cont'd*

of a minimum of five percent up to a maximum of 25 percent of any development with multi-family units to be assisted units.

- The number of assisted multi-family housing units shall not be greater than 20 percent of the total housing units within a ¼-mile of the transit station.
- At least 30 percent of the assisted multi-family housing units developed at a particular site shall be reserved for households earning 30 percent or less than the area median income.
- Assisted multi-family housing in transit station areas shall always be developed as part of a larger mixed income development.
- The assisted multi-family housing units shall be similar in appearance to the portion of the project that is developed as market rate housing.
- The assisted multi-family housing units shall be scattered throughout the development and not concentrated in one area.

**C. Development of Assisted Home Ownership Housing:** The City will consider participating in providing financial assistance to homeownership developments within one-half mile of a transit station where at a minimum 20 percent of the households earn 80 percent or less than the area median income. The City will also utilize its House Charlotte Down Payment Assistance program in transit station areas to assist households up to 110 percent of the area median income to purchase homes costing up to \$126,000\* in transit station areas.

[\*Note: Adjusted annually based upon changes in Charlotte real estate market.]

**D. City Bond Financing:** City bond funds will be set aside to acquire land and participate in affordable housing development initiatives along the transit station areas. The City bond funds are accessed through the Housing Trust Fund.

**E. Evaluation and Assessment:** The City shall evaluate and assess the progress of the affordable housing policy within 12-24 months after the first rapid transit line opens to determine if additional changes or modifications are needed. The Charlotte City Council shall receive reports on development activity in transit station areas at least twice per year.

**F. Transit Supportive Mortgage Strategy:** Work with banks to implement Location Efficient Mortgages (LEM) for home or condominium buyers near transit stops. LEMs increase the buyer's borrowing capacity by recognizing the savings achieved by utilizing transit.

# Joint Public/Private Development

## PRINCIPLE OBJECTIVE

Develop public/private partnerships aimed at promoting transit-oriented development, zoning, and land use in transit station areas to enhance transit system ridership and provide services for those living and working around transit stations.

## POLICY OBJECTIVES:

**A. Public Land Acquisition:** Utilize limited Smart Growth Funds for selective acquisition of strategically located land around transit stations. Acquisition should be focused on properties that are within ¼-mile walking distance of the station, that have a willing seller, and that have values that cannot be developed by the private sector without some public participation. Smart Growth Funds should be maximized by purchase of properties that:

- have existing uses that are detrimental to promoting transit supportive development in the station area
- require limited brownfield clean-up
- have a high property value: structure value ratio (e.g.; land more valuable than building)
- are part of a larger land assembly.



*Mockingbird Station, DART, Dallas, TX*

In most cases, property assemblage in station areas should be a minimum of approximately three acres in size to ensure that they can be easily developed for transit supportive development. Acquisition or assemblage of lesser acreage may be appropriate when the purchased land can be combined with land owned by other entities to create a development parcel of three acres or greater.

**B. Public Land Disposition:** Once properties purchased with Smart Growth Funds are cleared and/or cleaned up, sell or lease the properties to the private sector for market value of the land, ideally within one year of purchase, for transit supportive development consistent with the station area plan and transit supportive development principles. The

## *Joint Public/Private Development cont'd*

following approach is recommended:

- The private sale approach should be utilized, initiated with a request for qualifications (RFQ) or request for proposals (RFP).
- The purchaser should have experience with the type of mixed-use, urban development proposed for the site.
- The purchaser should be given a maximum of one year to obtain financing.
- The sale or lease of the property should not be finalized until financing is closed for the project and public sector plan approvals are acquired.
- The public sector should have the ability to repurchase the land at the original sale price if the proposed development is not initiated within three years from the completion of the sale.
- Proceeds for sales of property should be returned to the Smart Growth Fund.

**C. Transit Property Disposition:** Once surplus property, purchased with transit funds, has been identified, work to sell/lease excess property in station areas for transit supportive development consistent with station area plans. As the transit supportive development market matures, pursue opportunities to sell CATS surface parking facilities to private sector developers for multi- or mixed-use development that provides the parking provided by the surface lot in a parking deck that is a component of the larger mixed-use development.

**D. Condemnation:** Continue study process for state legislation for condemnation for economic development of properties located within transit station areas and identified in adopted station area plans as appropriate for transit supportive development. This authority will be used as a last resort.

**E. Smart Growth Funds:** Work with local banks to augment/stretch Smart Growth Funds by using publicly-owned land in transit station areas as collateral for short-term, interest-only (no payment on the principal) loans with payment due when the public sector sells the land. Also, develop a mechanism to allow private sector contributions to the fund.

**F. Federal Transit Administration (FTA) Joint Development Programs:** As funding becomes available, pursue FTA funds for joint development projects.

**G. Structured Parking Financing:** Study ways for the public sector to assist in financing construction of public parking decks, in lieu of surface parking, within station areas, provided that zoning-based overall maximum parking ratios are not exceeded and that the developer guarantees the deck operating costs.

**H. Privately Initiated Public/Private Development:** Refer to "Private Sector Development Incentives" for projects that might qualify for public participation.

# Private Sector Development Incentives

## PRINCIPLE OBJECTIVE

Provide incentives, establish partnerships with the private sector, encourage targeting of incentives to promote significant demonstration projects, and remove barriers to allow for appropriate transit-oriented development in station areas.

## POLICY OBJECTIVES:

- A. Zoning:** Proactively rezone properties as called for in station area plans to allow transit supportive development "by right."
- B. Expedited Plan Review and Permitting:** Implement an expedited plan review and permitting process for properties identified in adopted station area plans for transit supportive development.
- C. Amended Regulations:** Review and amend existing regulations (transportation, planning, engineering, building, etc.) to facilitate transit supportive development.
- D. Transit Supportive Development Facilitator:** Hire a staff person to serve as the facilitator/coordinator for transit supportive development. This person would assist developers with transit supportive permitting and would help facilitate this process.
- E. Pedestrian Enhancement Grant Program:** Expand Façade Improvement Program. Develop a pedestrian improvement grant program for existing development within and between station areas. This should be a matching grant program that focuses on improving pedestrian connections to existing buildings and making façade improvements that make buildings more inviting for pedestrians.
- F. Brownfields and Infrastructure Grant:** Extend the Infrastructure Grant and Brownfields Programs to properties that are shown in adopted station area plans as appropriate for transit supportive development.



*Development around a BRT station, Ottawa, ON, Canada*

*Private Sector Development Incentives cont'd*

- G. Transit Investment Gap Financing:** Develop a program that provides funds to transit supportive projects that have financing gaps that will not be built "but for" public financing assistance in closing the financing gap. Similar to the Business Investment Grant, this program would provide a multi-year revenue stream to the project based on the total amount of money invested in the project.
- H. Expand Authority to Bond Public Improvements:** Pursue state legislation for project development financing, expanded special obligation bond authority, or other equivalent to be utilized for funding of incentive programs for transit supportive development and other services for transit station areas.
- I. Municipal Service Districts:** Consider the use of municipal service districts in transit station areas to provide funding for items such as supplemental sanitation services, security, and marketing of the station area.

[Note: Incentive programs applicability limit the above incentives programs to new development and expansions of existing development that are consistent with transit supportive development principles and are on properties shown in an adopted station area plan as appropriate for transit supportive development.]

# Marketplace Venues

## PRINCIPLE OBJECTIVE

Encourage the location and retention of a healthy mix of private transit supportive businesses in transit stations.

## POLICY OBJECTIVES:

- A. Vendor Locations:** Identify kiosk locations at high volume stations close to the platforms on publicly owned property. The purpose of vendors at these locations should meet some retail needs of transit patrons and provide additional revenue to the public property owner.
- B. Station Area Plans:** Use station area plans to identify desired retail (i.e. cleaners, day care centers, etc.) and/or service locations on sites adjacent to stations.
- C. Public-Private Opportunities:** On property in station areas that will be sold by the public sector, provide an analysis to determine unmet retail and business service needs. Consider requiring inclusion of determined retail and business services within future site development.
- D. Integrated Development Opportunities:** Where feasible, incorporate transit stations into development projects that will provide retail and business services proximate to the station platform.
- E. Small Business Development:** Encourage small business development in station areas especially in conjunction with the sale of public property.



Transportation Center, Charlotte, NC



Scaleybank Road Station rendering, South Corridor, Charlotte, NC

## Conclusion

The long-term success of the rapid transit system is closely linked to creating dynamic, multi and mixed-use station areas. The policy guidelines outlined above will help achieve that success, but will require that the level of cooperation and coordination now in place among the various levels of government and the private sector be raised to a new level.