

TRANSIT-ORIENTED DEVELOPMENT FINANCING IN GREATER BOSTON

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Metropolitan Area Planning Council

The MetroFuture Vision



Be responsible stewards of our resources, passing on an environmentally, financially, and socially sustainable region to our children.



Involve more people in making the decisions that shape their lives.



Build safe, healthy, and welcoming communities.



Ensure that all residents fairly share the costs and benefits of the region's growth.



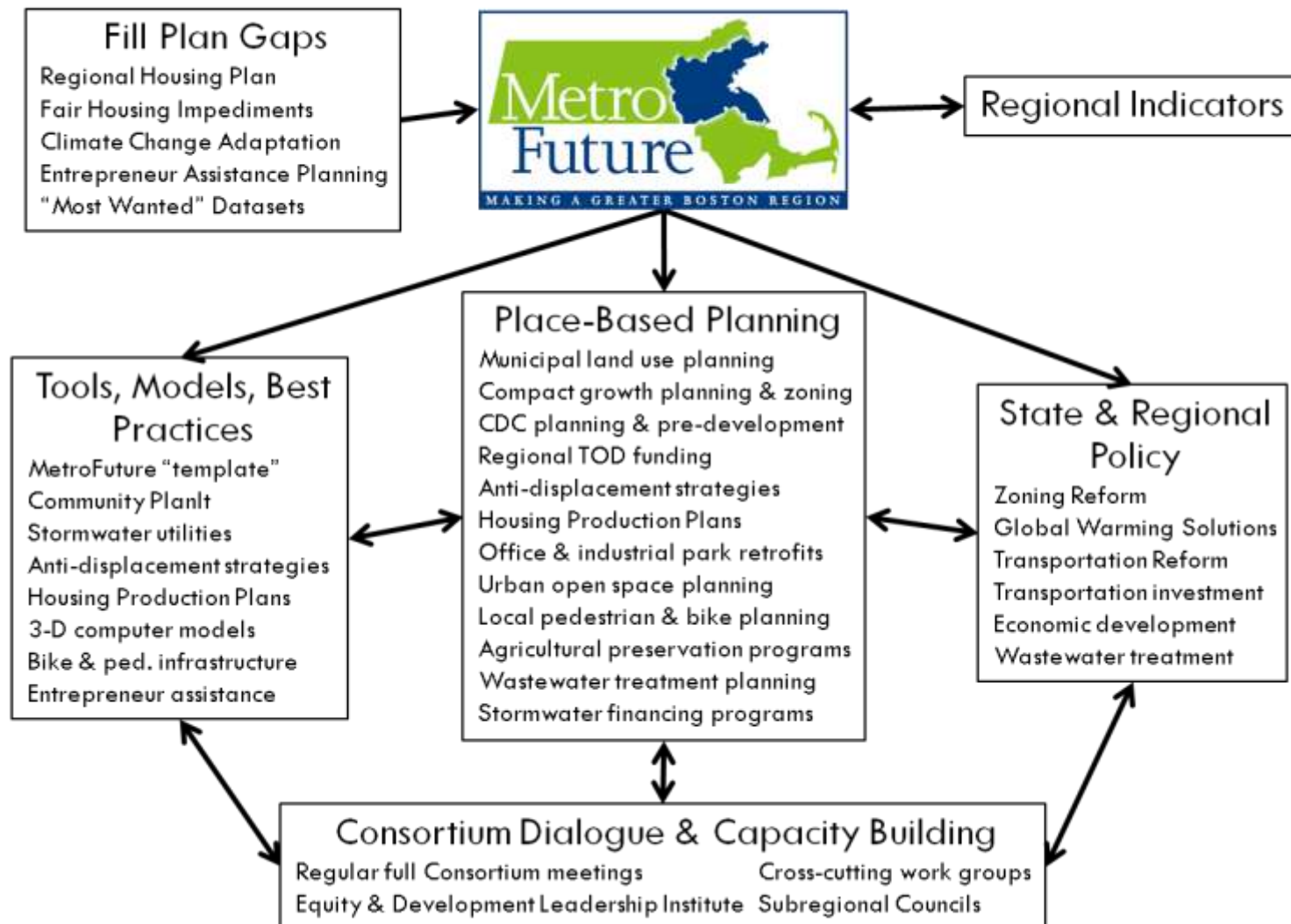
Give people affordable and convenient options for where they live, work, and play.



Create a world-class region that is vibrant, competitive, and connected.

HUD Sustainable Communities Program

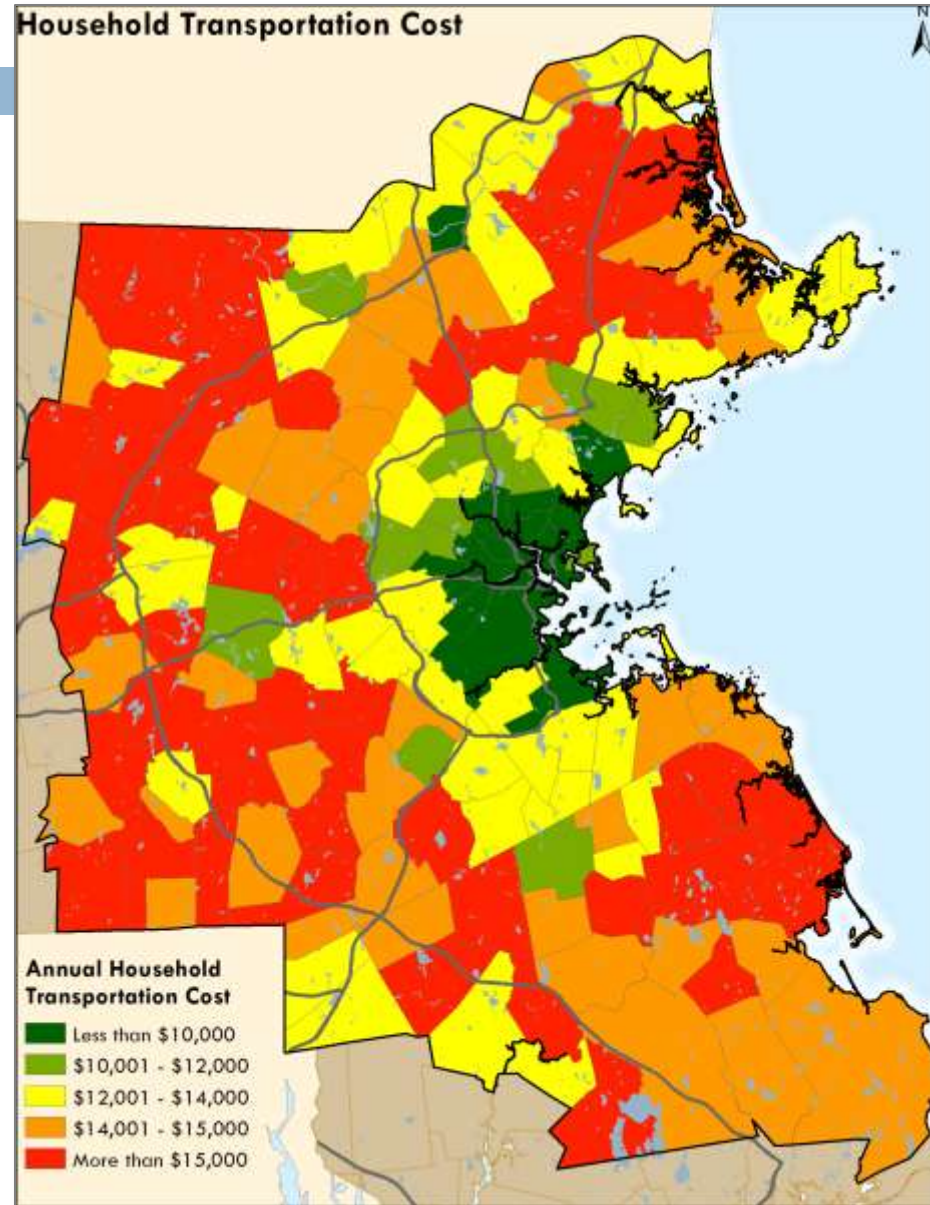
Sustainable Metro Boston – Program Structure



Sustainable Communities RPG

TOD Financing in Greater Boston

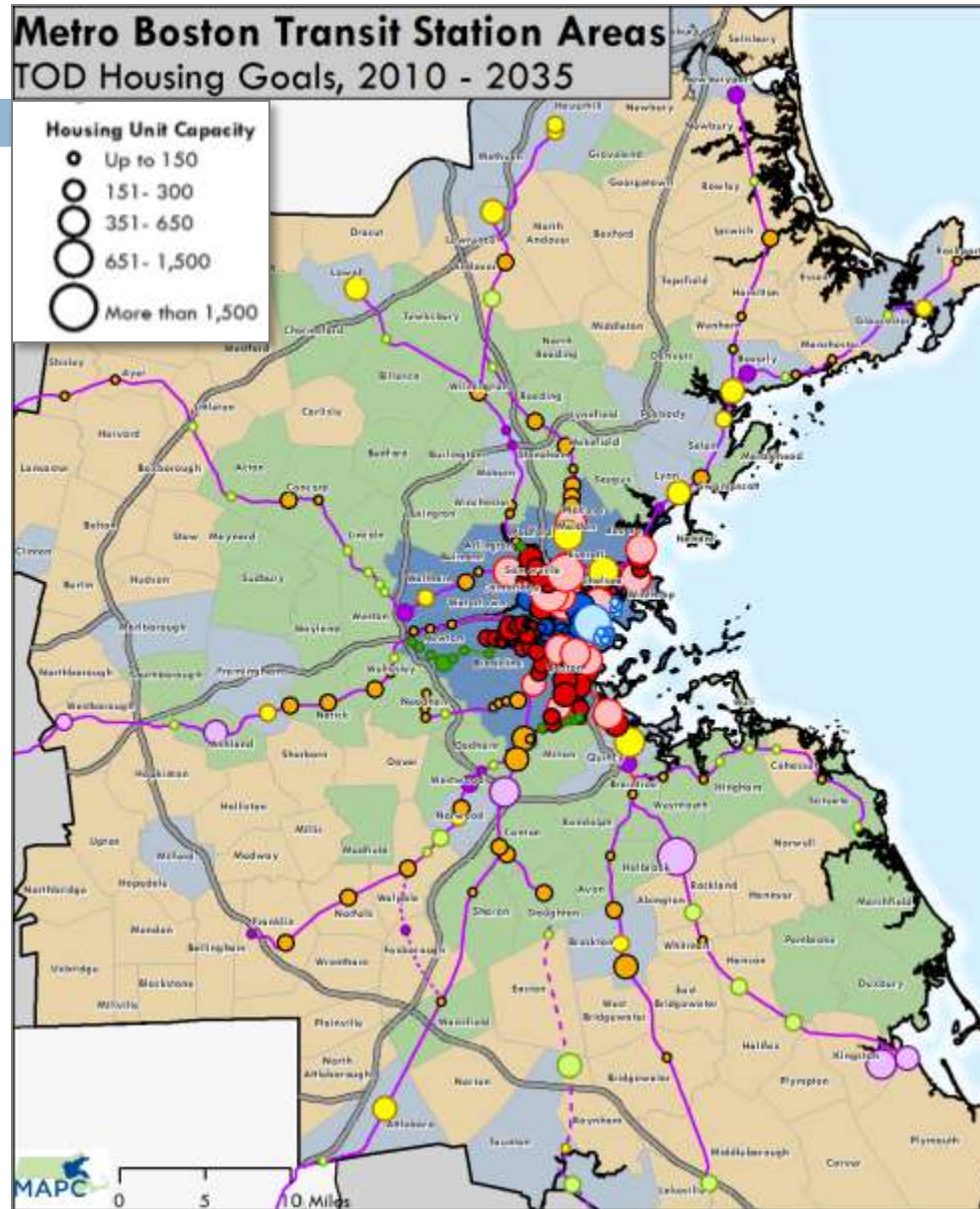
- Increased VMT = greater distances to work + shopping + school + less T service
- In some locations, a Very Low Income household might spend 30% on transportation



Sustainable Communities RPG

TOD Financing in Greater Boston

- Capacity for 76,000 additional units
- 15,000 housing units built near transit over last 10 years
- Incentives, tools, & financing for T-O housing, jobs needed



Sustainable Communities RPG

TOD Financing in Greater Boston

- TOD Fund development,
national convening,
Growing Station Areas,
TOD Finance Gap Analysis



- Why is TOD important and what does it mean?
- How should TOD be funded in MA?
- Where should TOD be located?

TOD Financing in Greater Boston

LISC Boston – Equitable TOD

\$30ML fund will provide developers with project feasibility enhancement and efficient access to financing for affordable, mixed-income and mixed use housing and commercial developments.



TOD Financing in Greater Boston

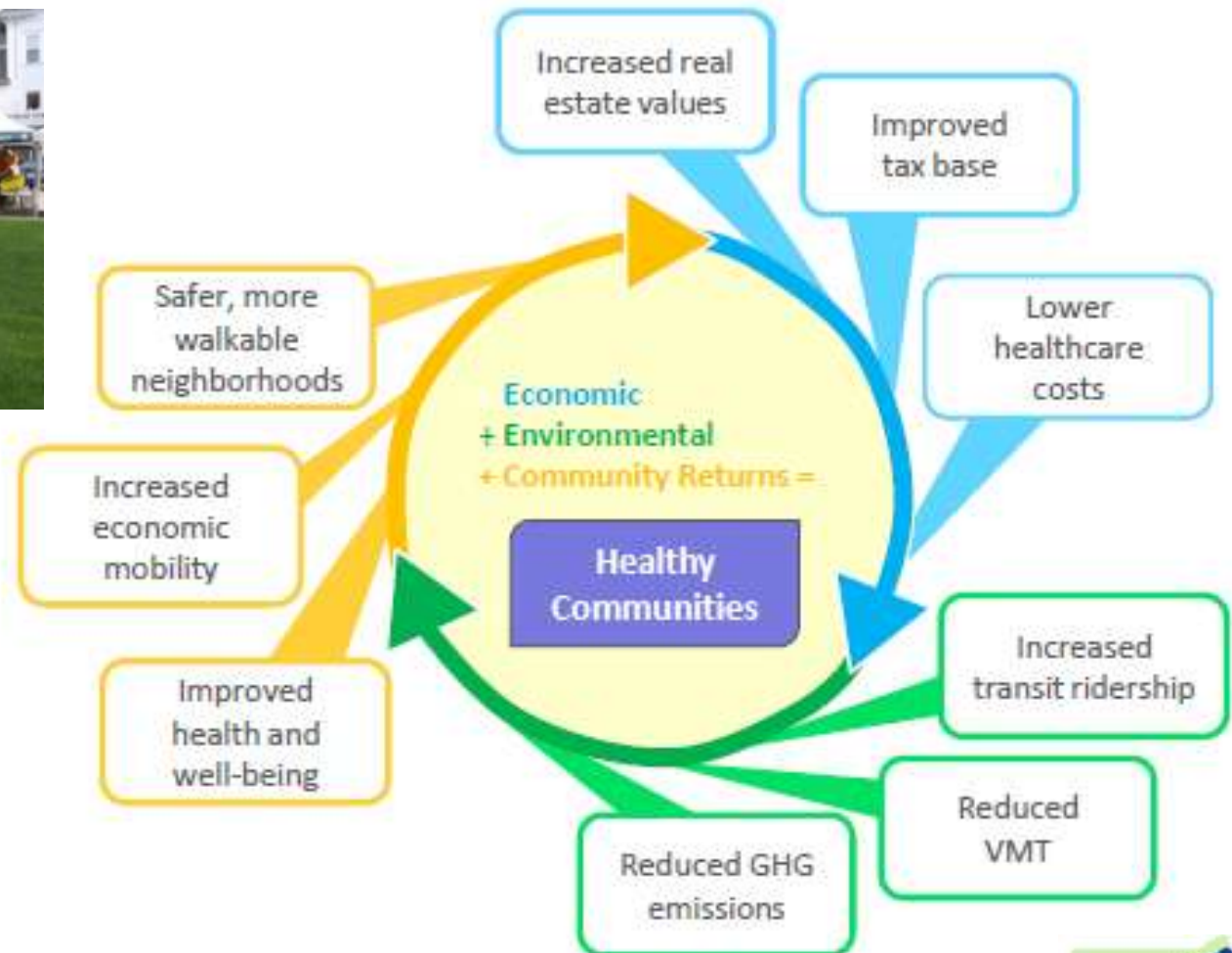
LISC Boston – Equitable TOD

- Fund includes:
 - ▣ Top loss commitment (EOHED)
 - ▣ *Foundation Program Related Investment (PRI)*
 - ▣ CDFI lending community
- LISC working on legal and operational details



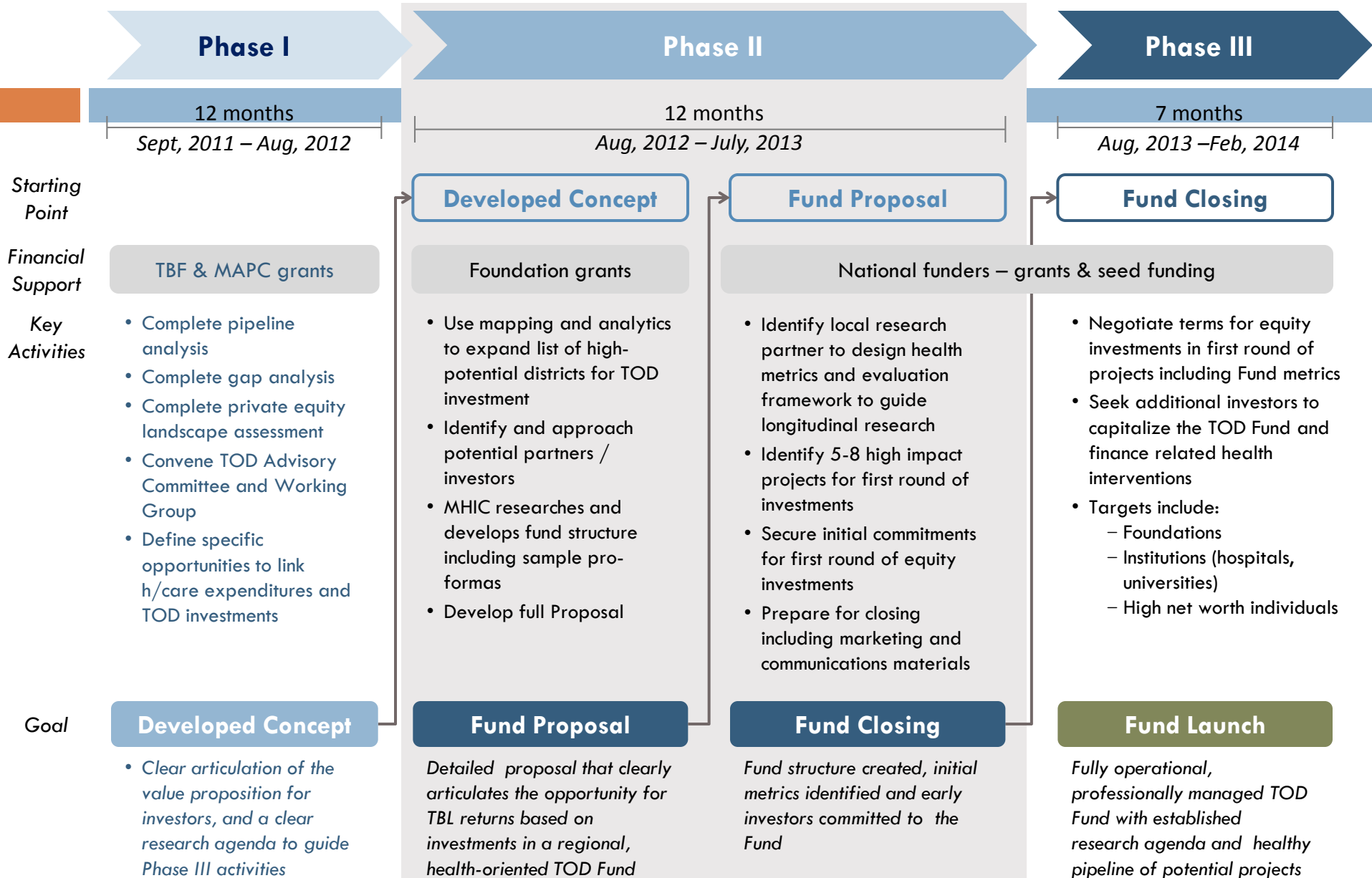
TOD Financing in Greater Boston

CLF Ventures – Healthy Neighborhood Equity Fund



TOD Financing in Greater Boston

CLF Ventures – Healthy Neighborhoods Equity Fund



TOD Financing in Greater Boston

TOD Finance Gap Analysis

- Differences between market versus affordable developments due to the types of financing available.



TOD Financing in Greater Boston

TOD Finance Gap Analysis

- TOD Finance Gap Analysis
 - Some challenges: development impact facts/ fictions; site assembly; high land prices; infrastructure issues; and lender underwriting for retail revenue
 - Scale and strength of the project sponsor important



TOD Financing in Greater Boston

TOD Finance Gap Analysis

- **Strategies:**
Predevelopment and acquisition financing, credit enhancement; equity financing or additional subordinate debt for the retail component, and market rate housing; and workforce housing subsidy



TOD Financing in Greater Boston

For more information:

<http://www.mapc.org>



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