Planning for Equitable Transit-Oriented Development in Chicago’s North River Communities

Dijia Chen

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University of Illinois at Urbana–Champaign
Advisor: Prof. Robert Olshansky
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Executive Summary

This capstone project is the result of a year-long process of research, community engagement, and communication and collaboration with professionals from multiple sectors to develop strategies for equitable transit-oriented development in Chicago’s North River communities.

The project is part of a larger endeavor, led by the Chicago Metropolitan Agency for Planning and the North River Commission, to create a comprehensive neighborhood plan for the North River communities in Chicago. The study area for the plan is centered around Albany Park and additionally encompasses North Park, Mayfair, North Mayfair, and Ravenswood Manor.

Equitable transit-oriented development emerged during the planning process as a key strategy to attract growth while also preserving the affordability and diversity of the neighborhood. Drawing from existing conditions analysis, best practices research, and results from public outreach, this project lays out a foundation for equitable TOD in the neighborhood. The plan provides guidance for the following areas:

- Building community-led coalitions to advocate for equitable transit-oriented development
- Forming multi-sectoral partnerships to advance affordable housing
- Utilizing and going beyond city TOD and affordable housing ordinances
- Proactively addressing design and development challenges for TOD
- Promoting non-motorized transportation and mitigating parking demand

The Chicago Metropolitan Agency for Planning (CMAP) is the regional planning organization for the northeastern Illinois region, encompassing 284 communities across the 7 counties of Cook, DuPage, Kane, Kendall, Lake, McHenry and Will. Through its Local Technical Assistance (LTA) program, CMAP provides funding and technical assistance to help municipalities implement the goals of the regional comprehensive plan. The North River Communities Neighborhood Plan is one such project supported by LTA.

The main community partner for the project is the North River Commission, which is the nonprofit community and economic development corporation uniting over 100 civic associations, businesses, schools, institutions, and places of worship to improve the quality of life for communities on the northwest side of Chicago.

The capstone project will be included as a chapter in CMAP’s North River Communities Plan. The draft of the final report is currently undergoing a public review process and will be submitted for city approval in May 2018.

For more information on the plan: http://www.cmap.illinois.gov/programs/lta/north-river-communities
Equitable Transit-Oriented Development

What is eTOD?

Transit-oriented development (TOD) concentrates residential and commercial development near transit infrastructure to create density around transit and lessen residents’ dependence on automobiles. By generating compact, mixed use development and facilitating diverse activities within walkable distances around transit facilities, TOD can lower household transportation costs, improve access to economic opportunities, and enhance quality of life for residents.

Increasingly, however, TOD has sparked concerns of gentrification. As improvements to transit increase the desirability of a neighborhood, the resulting increase in land values and housing prices may ultimately lead to displacement of low-income and minority residents. In cities around the US, public transit investments have shown to boost nearby property values from as little as a few percent to over 150 percent (National Association of Realtors, 2014). Contrary to its stated goal of expanding access, TOD may create high-opportunity areas that are only accessible to a small fraction of the population.

In the face of these socio-economic consequences, a new planning concept emerged to counter the negative externalities of TOD: equitable transit-oriented development (eTOD). Enterprise, a leading nonprofit housing advocacy group defined eTOD as: “compact, often mixed-use development with multi-modal access to jobs, neighborhood-serving stores and other amenities that also serves the needs of low- and moderate-income people” (Hersey & Spotts, 2015). In practice, the addition of “equitable” to TOD most importantly translates to a greater emphasis on the provision of affordable housing in development to ensure that the benefits of TOD are shared by all.

Major Challenges in eTOD

TOD projects typically involve complex development processes because of the mixture of different types of uses in a limited space.

Local zoning codes that rigidly divide different land uses and place generalized limits on density often hinder the creation of a transit-supportive density (Hersey & Spotts, 2015). Additionally, the traditional practice of setting parking minimum requirements contradicts the aspiration for compact development to promote non-motorized transportation, and the excess parking generates unnecessary costs for development (Hersey & Spotts, 2015).

The mixed-use nature of TOD also brings financial challenges, as the decline of brick-and-mortar retail in recent years has increased the difficulty of attracting ground-floor tenants (Pollack & Prater, 2013). For eTOD in particular, the need to provide affordable housing makes project funding even more difficult. Developers of eTOD will likely have to seek funding from a variety of sources, including private lenders and public subsidies, in order to meet the high costs of infill development (Pollack & Prater, 2013).

Finally, even if a project can clear all of the financing and regulatory hurdles, the success of a project will ultimately depend on its relationship with the community and the support of its residents. Creating an equitable TOD project requires community partnerships and a transparent, inclusive planning processes.

For eTOD to be successful, there needs to be a supportive policy and regulatory environment for development, multi-sectoral collaboration, as well as strong public engagement and community inclusion in the planning process.
By requiring developers to include a certain percentage of units as affordable and often, to maintain their affordability for a number of years, cities can leverage inclusive zoning to promote affordability even within strong or transitioning markets. Specifically for eTOD, inclusionary zoning can work alongside a TOD Overlay, which allows denser, mixed-use development otherwise restricted by Euclidean zoning.

Chicago TOD Ordinance: Designates a TOD Overlay for Business (B) and Commercial (C) districts within 1,320 feet of train stations or within 2,640 feet of train stations when located along a pedestrian street (P-Street). For qualifying projects within the zone, minimum parking requirements may be reduced by as much as 50 percent of the typical requirements as-of-right. Additional parking requirement reductions in excess of 50 percent can be granted with a zoning change or special use designation. If the bulk and density standard is 3, the TOD Ordinance also grants floor-area-ratio (FAR), building height, and reduced lot area per dwelling unit bonuses to development on those lots.

Chicago Affordable Requirements Ordinance (ARO): Requires any development using city-owned land or receiving approval of a zoning change to include 10% affordable units. Projects receiving financial assistance from the city must provide 20% affordable units. The 2015 ARO Enhancement further incentivizes the creation of affordable housing in TOD projects by awarding additional density bonus if they provide more than 50 percent of required affordable units on-site.

Parking Demand Management

Housing affordability and parking are closely linked. Because parking is expensive to build, high parking requirements can significantly burden the production of affordable housing, especially in locations where transit access makes parking less necessary. By including facilities and services supportive of non-motorized transportation, development can significantly reduce parking demand and mitigate cost hurdles for affordable housing.

1611 W Division, Chicago, IL: The apartments at 1611 W Division was the first TOD project in the city of Chicago. Steps away from the Division CTA Blue Line station, and close to six bus stops and a Divvy station, the apartments were designed and marketed specifically to cater to tenants attracted to a walkable environment and car-free lifestyle. Instead of parking spaces for cars, the building offers 100 bicycle parking spaces and a carshare vehicle with a discounted membership. To promote transit use, a monitor in the lobby provides CTA Bus and Train Tracker times.
Community Benefits Agreements (CBAs)

CBAs are contracts between a developer and community coalitions that are intended to maximize the opportunities and mitigate the negative consequences of development. They can have broader reach than existing policies and ordinances, by incorporating a wide range of provisions based on community need, such as affordable housing requirements, local hiring for project development and construction, and preference for local businesses to occupy ground-floor retail.

Longfellow Station, Minneapolis, MN: A Community Benefits Agreement helped guide the Longfellow Station transit-oriented development, which redeveloped an abandoned industrial site located near a light rail station into a mixed-use complex with 197 housing units and 10,000 square feet of retail space. The project was developed in a largely middle-class neighborhood in southeast Minneapolis, with a civic coalition called the Longfellow Community Council taking the lead in negotiating CBA provisions with the real estate developer. After two years of negotiation, the CBA defined ten principles to guide the project, including a requirement that 30 percent of housing units be affordable (above the city’s 20 percent requirement), local contracting and employment practices, facilities and infrastructure improvements to promote active transportation, and providing other community amenities. Despite setbacks to the project and amendments to the CBA due to the 2008 recession, the project successfully moved forward and fulfilled many of the principles set out in the CBA.

Transit Agency Joint Development

In many cities, transit agencies own significant land near potential TOD sites. Leveraging these assets, transit agencies across the country have adopted joint development policies wherein the agency proactively takes part in the development process and collaborates with other public agencies, private developers, and various stakeholders to promote affordable housing. Often, transit agencies may give preferential selection and approval to developers committed to inclusion of affordable housing, provide discounted land costs for joint development sites, and provide funding to support affordable housing development (MZ Strategies LLC, 2016).

Los Angeles County Metropolitan Transportation Authority: Under its Joint Development Program Guidelines, LA Metro has been a strong supporter of affordable housing by requiring a minimum of 35% affordable housing units in its joint development projects. In order to incentivize developers and provide financial stability, LA Metro discounts the land value of its joint development sites to up to 30% of the fair market value, and has created a Transit-Oriented Communities Loan Program, expected to total $70 million dedicated to affordable housing in TOD.
In February 2016, CMAP and NRC launched the North River Communities Neighborhood Plan project. With the prevalence of TOD in recent years and the development of several high-profile TOD projects in Chicago, TOD emerged as a popular topic from the onset, frequently mentioned by stakeholders during interviews and surveys.

“Albany Park should take advantage of its current businesses and transit to make a ‘transit-oriented community,’” said one resident, “it should create a sense of place, attractiveness, walkability, and livability, not just an easy commute” (Chicago Metropolitan Agency for Planning, 2017).

Well-planned TOD that capitalizes on the central locations of CTA stations could be catalytic projects for the North River communities, enlivening the existing commercial corridors by bringing additional customers, increasing high-quality retail and restaurant space, and enhancing the streetscape. Despite general enthusiasm for TOD, many residents also expressed reservations about the implications of TOD for the neighborhood, particularly to long-term residents and new immigrants.

The project team and stakeholders quickly identified TOD with equitable principles as a key strategy to capitalize on the community’s assets and attract development while realizing the community’s shared visions of affordability and diversity.
High TOD Potential

The area’s CTA stations are major assets that attract residents to key nodes and brings people from outside the North River communities on a daily basis. Albany Park is home to three heavily used CTA Brown Line stations: Kimball, Kedzie, and Francisco. Of the almost 20 million boardings on the Brown Line each year, roughly one in eight occurs at one of these stations, and boardings have continued to increase in recent years. Kimball station in particular serves not only local residents but also communities to the north and west, due to its location at the end of the Brown Line.

Many parcels in Albany Park already qualify for parking reduction and density bonuses set out by the Chicago TOD Ordinance. Lawrence, Kedzie, and Montrose Avenues are all designated as pedestrian streets. As they are the main commercial corridors in Albany Park, many parcels within the TOD limit are already zoned as Business or Commercial, making them eligible for reduced parking minimums as-of-right. Several parcels also satisfy the bulk and density requirement to qualify for additional density bonuses.

The abundance of existing mixed-use development at walkable densities, particularly along Lawrence and Kedzie Avenues, provides a strong foundation for TOD. Compact, mixed-use development and walkable streets have been present in Albany Park for many decades. Lawrence and Kedzie Avenues are especially abundant with development that combine residential use with retail, restaurant, and office spaces—the hallmark of TOD.

Despite possessing many of the characteristics of a “high-opportunity” TOD area, little development has occurred in recent years. Albany Park has seen little new mixed-use development near its three CTA Brown Line stations since 2009. While other neighborhoods along the Brown Line are seeing development activity resume, Albany Park has had only one new multifamily building constructed in its TOD zone since the end of the recession.

Parcels qualifying for TOD bonuses
Image Credit: Author’s analysis
Community Diversity

North River communities have long served as a port of entry for immigrant families, and are home to some of the most ethnically diverse neighborhoods in Chicago. Today, around 64% of all residents speak a foreign language at home, including Spanish, Tagalog, Korean, Guajarati, Croatian, and a variety of other Asian and European languages (CMAP, 2017). This cultural diversity has also bred a unique local economy. Albany Park’s commercial corridors are lined by diverse stores and restaurants owned by local immigrant families that cater to a variety of needs.

Housing Affordability

The area has a variety of housing stock available, providing everything from low-cost rentals to large single-family homes (CMAP, 2017). Housing prices have also benefitted from natural affordability for years. However, average rents in the study area have increased in recent years, and many households are already cost burdened by housing despite market affordability.

Housing around station areas, which are mostly multifamily rental properties, cost less than $1,500 per month, with a median of around $1,224 per month. In comparison, housing costs for areas with mostly single family dwellings, such as south of Francisco station or northwest of the study area, are near or above $2,000 per month. Housing is significantly cheaper near station areas, making them affordable for a typical family earning the area median income.

However, because household incomes of current residents in the station areas are below the area median income, they are cost-burdened despite the relatively low actual cost of housing. These statistics indicate the potential vulnerability of existing residents to displacement if TOD takes the form of high-end apartments or drive up property values to make station area housing increasingly unaffordable for a typical family earning the area median income.

1 Households are cost burdened if they spend over 30% of household income on housing.
2 $61,828 with an average household size of 2.72 and average number of commuters at 1.22.
Need for “Equitable” TOD

During the public outreach process, many residents expressed the desire to preserve the cultural and economic diversity of their neighborhoods. As such, many existing residents were concerned that TOD, especially the kind that had been developing in rapidly gentrifying neighborhoods like Wicker Park and Logan Square, could be unaffordable for middle- and low- income residents and drive displacement.

Particularly regarding affordable housing, there were widespread concerns that the city’s ARO did not go far enough to ensure affordability. Under the current ordinance, Albany Park is zoned as a “Higher-Income Area” and provides developers with varying options for meeting the requirements:

• Construct required units on-site and pay no in-lieu fee; OR
• Place at least 25 percent of the required units on-site and pay a fee-in-lieu per any remaining units; OR
• Lease or Sell units to the CHA or other authorized agency and receive a $25,000 in-lieu fee reduction; OR
• Construct required units off-site within two miles in a higher income area
• Additional density bonus if more than 50% of affordable units are constructed on-site

Despite the incentives, many residents were concerned that the affordable housing stock could easily be depleted nonetheless if developers simply choose to pay a fee.

In addition to concerns about affordable housing, stakeholders were also interested in the impact of new TOD to parking and the retail activities on the Lawrence/Kedzie corridors.

As TOD is commonly mixed-use development with retail on the ground-floor and housing on the upper-levels, the success of the ground-floor use was another topic of concern. On the one hand, residents were opposed to bringing in a chain store that would disrupt the largely local, immigrant-owned business characteristic of the corridor; and on the other, the struggling retail sector and retail vacancies in recent years brought worries about TOD’s impact on the economic vitality of the corridor.

As TOD, by its nature, would provide less parking, residents were additionally concerned about the potential increase in competition for residential parking spaces and potential spill-overs.

From our neighborhood analysis and community outreach efforts, it was clear that the most crucial strategy for pursuing equitable transit-oriented development in Albany Park was to establish a robust community-led planning framework. As such, the bulk of the recommendations for the eTOD chapter focused on the development of the eTOD coalition, and specific strategies that the coalition can pursue to guide development, form partnerships, and implement the goals of catalyzing affordable housing, transit accessibility, retail revitalization, and community place-making through TOD with equitable principles.

Another key goal was to creatively utilize existing ordinances and enhance them to meet the community’s requirements for ensuring affordable units on site. To advance TOD development itself, the chapter also included specific recommendations to address zoning and development requirements and incentives, design best practices with focus on active ground-floor uses, and parking implications.
VISION STATEMENT

The North River communities will build on its robust transit assets to attract new development near train stations, enlivening existing retail districts, attracting new residents, and enhancing livability.

To ensure that the benefits of TOD are accessible for all, the community will pursue equitable development policies to expand affordable housing options, balance parking needs, and enhance the diversity that is central to the identity of the North River communities.

RECOMMENDATIONS

Convene a cross-sector partnership to define the community’s vision for equitable transit-oriented development

Throughout the development of this plan, community stakeholders have stressed the importance of using TOD to expand opportunities for neighborhood residents. Investments in communities and transit infrastructure can significantly enhance opportunity for low- and moderate-income families, by expanding access to low-cost transportation, creating business development opportunities for local entrepreneurs, and attracting new amenities for existing residents. However, the improvements and investments that accompany TOD can also raise property values, making it difficult for lower-income residents to remain in the neighborhood and share in the benefits.

Equitable TOD (eTOD)

Developing a community strategy for “equitable transit-oriented development” (eTOD) is one way to ensure that high-opportunity areas surrounding the Kimball and Kedzie stations remain inclusive and also provide opportunities for longtime residents. In short, eTOD makes sure that the benefits of living near transit are available to people of all income levels, and aligns public and private investments for optimal returns for communities.

The broad coalition formed by NRC and other community stakeholders to guide the North River Communities Plan and CTA’s concurrent Kimball TOD study has already identified some shared principles to guide future TOD in the area, including the importance of including affordable housing
in future TOD, a broad desire for maintaining the diverse and family-friendly character of the neighborhood, while using TOD as a means to gain more public gathering places and further invigorate the main retail districts near transit.

An eTOD coalition for the North River communities

To ensure that the goals of affordability, transit access, and economic development are met, successful eTOD requires engagement and collaboration between the housing and transportation sectors, various levels of government, and organizations and groups within the community. A group comprising members of community organizations, local businesses, affordability advocates, and the public sector can be instrumental to coordinating this engagement.

The coalitions assembled to guide the North River Communities Plan and the CTA Kimball TOD Study offer good models for providing collaborative leadership. With its long history of accomplishments in the neighborhood and strong ties to aldermen, civic organizations, the business community, and institutional stakeholders, NRC is uniquely positioned to build on these coalitions and convene a new partnership to develop and communicate a shared vision for eTOD. In addition, given the close connection between the goals of eTOD and those of housing affordability, NRC may choose to form a unified coalition to implement this plan’s TOD and housing recommendations, in order to collectively advocate for broad implementation of equitable principles.

Working together, the coalition can explain the opportunities and potential consequences of TOD to the community and get its input. Guidance emerging from this group would help political leaders and developers shape projects that they can be confident the community will support, making the development approval process more stable and predictable. It could also help reform codes and policies that influence station area development when necessary.

Additional Strategies

1. Advocate for requirement that developers of ARO projects provide affordable units on-site: To ensure that TOD results in the creation of affordable housing, the coalition could work with local Aldermen’s offices to explore multiple options to incentivize or require developers to build ARO units on site instead of paying a fee in-lieu. In addition to utilizing existing incentives in the ARO, the coalition can mobilize members to submit public comments in favor of on-site affordability for particular projects that are under review. To establish guidelines that can be applied to all new TOD development, the coalition can work with aldermen to require on-site ARO as a general practice, or pursue Planned Development (PD) zoning designations and community benefits agreements that allow the community more flexibility in development decision-making.
2. Explore whether a Community Benefits Agreement (CBA) would help build community support for future development: The coalition may want to consider the value of pursuing a Community Benefits Agreement (CBA). For example, through a CBA, the coalition could require inclusion of affordable housing for TOD development above the base of 10 percent of units as specified in the ARO. The process can be beneficial for developers, as identifying a shared vision for a project with residents from the outset can help to build community support and eliminate many hurdles for project approval. Further, by involving aldermen in the negotiation process, a CBA can be incorporated into the formal development approval process.

3. Coordinate with CTA to pursue joint development that incorporates affordable housing: CTA can leverage the production of affordable housing in TOD by pursuing joint development for projects utilizing land it controls, such as the commuter parking lot adjacent to the Kimball Station. The coalition can coordinate with CTA to include an affordability goal in the project’s Request for Proposal (RFP), or establish criteria for project selection that gives precedence to development proposals that include affordability components. If joint development happens in the form of a long-term land lease to the developer, CTA can also capture the increased value of land as a result of TOD to fund transit infrastructure and station area improvements, further creating opportunities to boost ridership and enhance accessibility for residents.

4. Encourage developers to utilize incentives to make inclusion of affordable housing more financially feasible: The Chicago TOD ordinance specifically allows development near transit stations to build 50 percent fewer parking spaces than would otherwise be required, and can grant further reductions (up to 100 percent) upon approval of a zoning change or a special use designation (the latter which does not trigger the ARO). In addition to encouraging developers to make use of these cost-saving incentives, landlords can be encouraged to consider charging for parking separately from overall rent and providing benefits to tenants who don’t own a car, such as discounted or free transit passes. The combination of parking minimum reductions and density bonuses can be especially effective in spurring development of affordable units. Utilizing the density bonuses granted by the City’s TOD ordinance (which are further expanded if affordable units are constructed on-site), developers can pursue creative and efficient designs for housing that are less expensive to build, such as “micro units” or smaller units with high ceilings, resulting in units that are more affordable. When working with developers, the coalition and local aldermen can highlight the cost benefits of these incentives.
Establish and communicate the community’s goals for the form and design of new TOD

To ensure that new TOD development is consistent with the existing urban fabric of the neighborhood, stakeholders should include discussion of form and design in its outreach efforts. Guidelines for development can incorporate considerations for density, street frontage, setbacks, massing, and other urban design or architectural elements. There are many existing studies and other resources to aid in this effort, and zoning and development regulations can provide tools to communicate and achieve the desired forms for new development.

1. Use the CTA Brown Line core capacity and land use study as a basis for design guidelines and visual preferences: The CTA is currently engaged in a study to support conceptual planning efforts for a future Brown Line core capacity project. The study is evaluating potential projects to improve the line’s capacity and overall service quality, including travel time. As part of the study, the CTA is developing TOD recommendations for the area surrounding the Kimball and Kedzie Stations, including visual preferences and assessment of possible land-uses, based on community outreach efforts. There is an opportunity to leverage the findings from the study to assist with development of community guidelines for the design of new TOD.

2. Consider advocating for changes to underlying zoning to expand TOD bonuses: If the community seeks greater density around its transit stations, stakeholders should consider advocating for zoning changes to allow for density bonuses. Currently, a development would need special approval to build more or smaller units under the Chicago TOD Ordinance, whereas 50 percent of parking minimum reductions are allowed “as-of-right.” The community could work with aldermen to create as-of-right zoning for density and expanded parking bonuses within walking distance of the Kimball or Kedzie stations. Less rigid requirements for parking may also give developers more flexibility in design, freeing up more space and money to invest in amenities that can make TOD development more attractive to the community as a whole. Since ARO is triggered by zoning change requests, underlying changes to as-of-right zoning should include additional provisions to require on-site affordable units, at or above the ARO’s 10 percent requirement, in order to ensure that affordability is incorporated even if construction happened as-of-right.
Attract active uses for ground-floor spaces

Attractive and inviting ground-floor spaces are an integral component shaping the pedestrian experience in a community. Well-designed storefronts and spaces for community amenities not only improve the streetscape, but can also cultivate a distinct sense of place, enliven public life, and provide “third places” outside of home and work for residents to convene and enjoy their communities (Butler & Diaz, 2016).

While mixed-use development is often composed of ground-floor retail and residential or office uses on the upper floor levels, active ground-floor uses are not limited to retail. There is already an abundance of diverse retail on both Lawrence and Kedzie Avenues, which offer opportunities to explore options for providing other services and amenities for residents. Depending on the local need, TOD may instead accommodate civic, institutional, or cultural uses like child care facilities and libraries. In Chicago, a partnership between the Chicago Housing Authority and the Chicago Public Libraries is developing mixed-use projects with a public library on the ground-floor (Unrau, 2016). A successful example from another city is the Via del Mar TOD project in Watsonville, CA, which contains 40 units of affordable housing above a 32-slot child care center.

Regardless of use, the success of a ground-floor space will also depend largely on the design of the space. Differing uses often require differing configurations of space, and a space with inadequate design can fail to attract tenants. Particularly for mixed-use development where residential is the primary function, ground-floor space often faces challenges due to design flaws that poorly accommodate the differing requirements for space that housing and other uses require (Macht, 2014).
1. Apply best practices in the design of ground-floor spaces: Ground-floor spaces that are inviting and attractive to pedestrians have very different design requirements than residential or office uses. For instance, transparent facades with large windows and tall ceilings can create open and welcoming environments. Attractiveness of a space also extends to its frontage and sidewalk, and requires landscaping, distinct signage, and good exterior lighting to invite people into the space and create a sense of security. There may also be more stringent requirements for access, in order to establish visibility and easy entry. Stakeholders can incorporate ground-floor design best practices into the typologies and guidelines for TOD development to communicate the vision for active ground-floor uses.

2. Incorporate design guidelines that allow the creation of flexible spaces: As community needs and the market evolve, interest in ground-floor uses and the accompanying requirements for space may shift. To accommodate the changing long-term needs for space, developers could be encouraged to build flexible spaces that can be converted with ease to suit different uses. For example, developments that allow property managers to adjust the building depth or alter landscaping and elevated entranceways can create ground-floor space that meets the privacy and security needs of residential space while allowing an active street presence if the space is converted to retail. Innovations in materials, such as using engineered wood beams and columns, can reduce construction cost for building alternative ground-floor spaces and allow more flexibility in configuring space. Stakeholders can work with developers to explore options for designing flexible spaces at ground-level and incorporate the design guidelines into TOD development.

3. Work with community to identify desirable community spaces: Instead of retail, community stakeholders can collaboratively identify other desired amenities or services that may be currently lacking in the neighborhood. Possible uses can widely range from civic facilities to institutional uses, such as childcare, health clinics, arts/theater/museum spaces, hacker or maker-spaces, libraries, social services, among others. During project development stage, it will be crucial to plan for the desired use and design spaces accordingly, following design best practices or flexible space guidelines, to ensure the success of the community space.
Promote active transportation and address parking implications

Anticipating that being close to good transit service means potential residents will own fewer cars, development projects near transit often include fewer off-street parking spaces than is typical in projects located far from transit. The City of Chicago TOD ordinance encourages this trend by reducing per-unit parking requirements for developments near transit, allowing developers to use more of a building’s space for residential or commercial tenants.

When proposed developments include less parking, existing residents often express concern that the development’s future residents will park on adjacent streets, increasing competition for limited on-street parking. However, by appealing to potential tenants who do not own a car—or who would prefer not to own a car—TOD projects can avoid increasing demand for on-street parking. In addition, strategies exist to mitigate additional demand if it is created. Developers and community organizations should be proactive about potential parking concerns and draw on parking management best practices to ensure that the needs of current residents are met alongside new TOD.

Understanding current parking conditions

To plan for parking, it is crucial to accurately assess current parking conditions and have a clear understanding of resident perceptions on the issue. If time and resources allow, the community should also consider conducting a parking inventory study. NRC should also engage in outreach programs to identify resident concerns and explain the impacts of parking policies. Local residents are often very knowledgeable about the busiest streets and the busiest times of day for parking, as well as where parking is in high demand for commuters, customers to businesses, and other visitors. Effective outreach can also help educate communities about the inherent trade-offs of different parking policies and strategies, giving them an opportunity to work together to identify shared priorities and preferred strategies.
Active transportation and shared mobility

Reducing new demand is the first course of action for better parking management. The City’s TOD ordinance supports the inclusion of active transportation facilities like bicycle parking by requiring developments taking advantage of TOD bonuses to address parking demand. A variety of options exist for developers to provide benefits for riding transit, biking, walking, or carsharing to attract potential tenants who prefer non car-dependent lifestyles:

1. Offer transit passes or bike share membership as part of rent: Instead of bundling parking in rent, developers can choose to offer a complimentary or discounted transit pass or bike share membership to tenants. Divvy already has a Corporate Membership program that provides partner organizations with discounts for employees, residents, and members. These benefits included in rent can incentivize tenants to commute and travel by biking or transit and lower the demand for parking spaces. Unbundling parking can also make rents more affordable, especially for residents who have lower incomes or mobility challenges and that are less likely to own a car.

2. Provide bicycle parking or storage in development: Several studies from across the country have shown that secure bicycle parking and storage is one of the top factors contributing to bike ridership (Sener, Eluru & Bhat 2008). The TOD ordinance requires development taking advantage of parking reductions to provide at least one bicycle parking space for each automobile parking space that would otherwise be constructed, and additionally waives the “no more than 50 bicycle parking spaces per building” limit. Fully utilizing parking reductions and providing an appropriate number of bicycle parking or storage can significantly decrease construction costs and mitigate new parking demand.

3. Expand dedicated carsharing parking spaces and encourage peer-to-peer carsharing: Carsharing is an attractive option for tenants who may want occasional access to a car but do not need to use it every day. Zipcar currently has two locations near the Kimball station, each offering three vehicles. There may be an opportunity to partner with Zipcar to increase the fleet or additionally provide a location near the Kedzie station if TOD development occurs there. Additionally, peer-to-peer carsharing through companies like Getaround has been gaining popularity in the recent years. Instead of renting a car from a company, peer-to-peer services allow users to directly rent cars from car owners in the neighborhood. By including dedicated parking for carsharing, developers can replace multiple general-use parking spaces and make carsharing more convenient so that fewer tenants would require individual parking spaces.
Additional parking strategies

1. Apply parking management best practices to better utilize the existing parking supply: Even with high demand for on-street parking, several parking management strategies exist to extend the capacity of the existing supply. Often, the inability for a driver to find parking may be a result of the underutilization of certain spaces, lack of available information on where those spaces might be, and policies that do not offer enough flexibility to recognize that parking demand is different at different times of the day or in different areas. Applying parking management best practices can help a community take better advantage of currently underutilized spaces and reduce competition for highly sought-after parking spaces. Particularly on retail corridors, the SSA and NRC can work with the city to improve signage and use information technology (such as SpotHero) to clearly indicate where parking is available and direct drivers to underutilized spaces. There may also be opportunities for shared parking arrangements if nearby developments require parking at different times of the day or different days of the week. For example, churches located near commercial corridors may share spaces with businesses nearby.

2. Consider using the residential permitting system to manage parking: One of the greatest concerns of existing residents is that the reduced number of off-street parking spaces for new TOD residents would increase the competition for on-street parking. If results of the parking study indicate a need for better residential permit parking management or anticipate greater demand than the supply allows, stakeholders can work with Aldermen to explore additional restrictions. For example, developers may include an agreement to waive the right to a residential parking permit in leasing contracts for future TOD residents. This strategy can be especially effective for a TOD development that promotes active transportation and marketed toward those who do not wish to own a car. If it is not feasible to include the residential permit waiver in leasing contracts, the community can work with Aldermen to increase the cost of residential permits. When permits are priced too low compared to the demand and oversold, they can quickly become “hunting licenses,” meaning that drivers with a permit can search for a spot but may not be able to find one. To prevent this problem and ensure that there is enough supply of available spaces, permit prices can be adjusted to correlate with demand.
References


