

Policy Tool: Transit Incentives for Housing Developments

Examples: Santa Clara Valley Transportation Authority ECO pass program (CA)
Pilot TOD Pass Programs in Portland, OR and Contra Costa, CA

Summary: Transit agencies may be able to increase ridership by residents of transit-rich neighborhoods and transit-oriented developments by selling discounted transit passes to housing developers for distribution to their residents.



While many transit authorities offer monthly or annual pass programs to large employers, a few also offer pass programs to residential developments such as apartments, condominiums or homeowner associations. The Santa Clara Valley Transportation Authority (VTA) offers a residential version of its Eco Pass at a deep discount to housing developers in order to increase ridership and expose people to public transit. The residential Eco Pass provides unlimited rides on VTA bus and light rail seven days a week.

Any residential community with 25 units or more that is defined by a geographical boundary, such as an apartment building or condominium complex, may join Residential Eco Pass. Eco Passes must be purchased for all residents five years of age or older. Discounted pass prices are based on the number of residents and the level of VTA services at a given residential community.

One residential developer that takes advantage of the Residential Eco Pass program is First Community Housing (FCH), is a non-profit affordable housing developer. By both locating its developments adjacent to transit and providing free, annual Eco Passes to all of its tenants, FCH was able to reduce the parking requirements at each of its properties. Jeff Oberdorfer, Executive Director of FCH, notes that “an urban structured parking space can cost from \$22,000 to \$40,000 per space. Saving the construction cost of two parking spaces pays for our entire Eco Pass program.”

Both Portland, Oregon and Contra Costa, California have piloted universal pass programs for transit-oriented development (TOD) residents. When Portland piloted a free pass program for residents of new TODs including the Orenco project on the Westside light rail line, the percentage of residents reporting use of transit increased from 30 percent (before passes) to 83 percent (Evans & Pratt, 2007). In a pilot project beginning in June 2008, the Metropolitan Transportation Commission partnered with the Alameda-Contra Costa Transit District (AC Transit) to provide free transit passes to residents of select transit-oriented developments (TODs) in the East Bay. Participants received passes providing unlimited free access on the AC Transit bus system for six months to one year. MTC found that bus ridership increased, participants made on average one fewer automobile trip per week and one-quarter of the participants continued to use the passes at their own expense after the free usage period ended.



For additional information: www.vta.org/ecopass/ecopass_resi/index.html
www.firsthousing.com/wp-content/uploads/2009/05/ecopass1.pdf
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