

House Transportation Committee Hearing Testimony on TRID – Transit Revitalization Investment Districts

June 17, 2015

*Denny Puko, Planning Program Manager
Center for Local Government Services
Department of Community and Economic Development*

Good morning Chairmen Taylor and Keller and members of the committee. My name is Denny Puko. I am the Planning Program Manager in the Center for Local Government Services, Department of Community and Economic Development (DCED). Thank you for the opportunity to present testimony on TRID – Transit Revitalization Investment Districts.

I have been involved with TRID since it was created in 2004. I instructed TRID training courses, participated eight TRID planning studies, and manage the program that provides DCED funding for TRID planning studies.

Act 238 of 2004 provides statutory authority for municipalities and counties to create Transit Revitalization Investment Districts. A TRID may include area within a radius of one-eighth to one-half mile from a stop or station on a mass transit system. The Act authorizes municipalities, counties, and school districts to use incremental tax revenues generated by new real estate investment within the TRID for completion and maintenance of infrastructure supporting the TRID. TRIDs have a life span of 20 years.

A TRID is intended to spur community development and economic growth. Under current law, local incremental tax revenues can be used to make transit station improvements, plus sidewalk, bikeway, and road connections into the community, and other infrastructure enhancements. The concept is that such improvements would then spark business and residential development wanting the convenience of transit and wanting to capture the market of many transit riders. The market for this kind of development – Transit Oriented Development (TOD) – is growing. There is preference for the lifestyle found with TOD – walkable and vibrant with convenient connection via transit to jobs, entertainment, arts and culture.

There are three steps to creating a TRID:

1. Conduct a TRID planning study to identify market conditions, development opportunities, needed infrastructure and transit improvements, and a financing plan. (PA DCED is directed in the act to provide 75 percent of the study cost, up to \$75,000.)
2. Designate a management entity to administer the TRID.
3. Designate the TRID.

To date there have been 15 TRID planning studies. DCED funded 13. Eight studies were in the Pittsburgh metro area and seven in the Philadelphia metro area. One study resulted in creation of a TRID, in October 2013, in the East Liberty neighborhood of the City of Pittsburgh adjacent to the Port Authority of Allegheny County East Busway. The East Liberty TRID is projected to generate local incremental revenues of \$13 million to help finance \$58 million in busway station

and infrastructure improvements. The improvements are projected to leverage \$345 million in private investment for mixed business and residential development projects. DCED has an application in hand to fund a planning study in Pittsburgh for a TRID along a proposed Downtown-Oakland-East End bus rapid transit route.

To date, no additional TRIDs have been created for two main reasons. First, after TRID was enacted and many planning studies were completed, there was a national recession that stifled development. Second, there has been local discomfort with aspects of TRID administration and financing.

I am happy to answer any questions at this time. Thank you.