

PORTLAND POPS A WHEELIE:

Two big ideas for leveraging bike-ped improvements through land development

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Portland's Sustainable Transportation Fund will support bicycle, pedestrian and other projects like the city's first bike corral (much-needed bicycle parking in what was previously a car parking spot) in front of Rosemont Market and Arabica Coffee on Commercial Street. Photo courtesy of Rosemont Market & Bakery



AVESTA Housing's 409 Cumberland Avenue project offers potential bike-ped funding to the City of Portland both through the Sustainable Transportation Fund (reduced parking) and as an Affordable Housing Tax Increment Finance District.



The Fund and TIFs can help pay for pedestrian and bicycle crossing improvements like this one on Tukey Street at the I-295 exit onto Washington Avenue.

So many of us ask, “Where can we possibly find money for the _____ we need??” (Insert your bicycle or pedestrian project here: sidewalk, bicycle lane, streetscape beautification, off-road path, etc.) For the past several years the City of Portland has been developing new sources of revenue on this front – specifically a Sustainable Transportation Fund and Transit Oriented Development Tax Increment Finance (TIF) Districts.

Portland's Sustainable Transportation Fund (also known as Fee in Lieu of Parking) was established in 2010 to improve transportation choice, reduce the footprint of development that needs to be taken up by parking, and reduce the number of single-occupancy vehicle trips on the Portland peninsula (Bayside, West End, East End and Downtown neighborhoods). It offers an option to developers to build fewer parking spaces than are normally required for residential or commercial projects if they pay a fee to the city of at least \$5,000 per spot (fee is adjusted annually) - where the case can be made that the particular uses will have less off-street parking demand.

Historically, in the case of residential property development, the city required developers to build two parking spaces per residential unit (this has since been reduced to one space for some zoning districts). Car ownership data indicated this was more parking than necessary, devoted valuable real estate to parking, and added big costs to the price tag of each project (a major issue in a city facing tremendous affordable housing issues). And conversely, the availability of two spaces then encouraged more vehicle ownership and single occupancy vehicle trips.

The city recently received its first payment into the Sustainable Transportation Fund; \$83,700 bonded and available to pay for upcoming bicycle, pedestrian and other projects on the peninsula. The funds must be used within 10 years or they will be refunded. (They can also be used to pay for transit improvements, streetscape upgrades, bicycle and shared-use parking, and the city's Transportation Demand Management Program.)

The key project that has contributed to this amount is AVESTA Housing's soon-to-open 409 Cumberland Avenue project. The complex includes fifty-seven affordable and market-rate apartments and a “healthy living center” with a community demonstration kitchen, health and wellness programming, and a rooftop garden and greenhouse – all located in walkable and bikeable downtown Portland. 409 Cumberland is also a TIF District (see more on TIFs below).

More funds will be coming soon – AVESTA is planning another housing development on the East End of Portland at 134 Washington Avenue, and this, too, will result in a contribution to the Sustainable Transportation Fund due to the reduction in on-site parking that will be provided. “We need to get the approval of the Transportation, Sustainability & Energy Committee first,” shared Bruce Hyman, the city's new Transportation Program Manager (formerly the city's Bicycle and Pedestrian Program Coordinator) “but we have some great ideas for the use of these funds for projects that have been identified by the community as high priorities to correct existing pedestrian safety concerns.”

The other tool Portland is using more is the Tax Increment Finance District (TIF). TIFs allow communities to capture incremental growth in property tax revenue from new commercial or residential investment, over a period of time (up to 30 years), for reinvestment within the community. TIF is an economic development program authorized under Maine state law and allows

municipalities to use that captured revenue to provide financial assistance to local economic development projects and programs – from infrastructure, municipal economic development programs and staff, to business expansions. “Infrastructure” is defined, but not limited to: traffic upgrades, public parking facilities, roadway improvements, lighting, sidewalks, water and sewer utilities, storm water management improvements and placing above ground overhead electric and telecommunications lines underground.

For those interested in more nitty-gritty: TIFs allow municipalities to shelter the new value resulting from this private investment in their community – from what the state calculates the community should receive for education aid and revenue sharing and what it has to spend on county taxes. In other words, for the term of the TIF, the municipality experiences no reduction in state aid for education or municipal revenue sharing and no increase in county taxes. As the Portland Economic Development Department shared in its 2014 annual TIF report, “This amount of “savings” is significant and one of the most important benefits of establishing TIF districts.”

In the case of Portland, there are a number of older project-specific TIF districts (like the Bayside student housing and Intermed buildings on Marginal Way, also visible from I-295). More recently, the city has been moving to prioritize TIF district locations, explore more Affordable Housing TIFs, and consolidate to area-wide TIF districts. It has also created a Downtown and a Transit Oriented Development TIF District (both of which are exempt from limitations on acreage and property value under state TIF law). Specifically, the Thompson Point Transit Oriented Development TIF provides support for new or expanded transit services and improved transit and bike-pedestrian connections between the Portland Transportation Center, Jetport and Downtown.

Bottom line, the Economic Development Committee reports in 2014 alone, the city created \$3.5 million in revenue from the captured value of its collective TIFs - a portion of which can be used for bicycle and pedestrian and other infrastructure projects. As Hyman noted, “The Sustainable Transportation Fund, the Thompson’s Point Transit TIF, the new Downtown TIF and the reconfigured Bayside TIF will be important tools for the city to diversify funding sources over the coming years to create more viable transportation choices in Portland.”

According to the Maine Department of Economic and Community Development, hundreds of Maine communities have TIF districts - from Caribou to Biddeford, Rumford to Machias. However, not all of these are designed to provide funding for infrastructure projects. Ask your town administrator, public works director, or road commissioner whether your municipality has a TIF district and if so, whether the funds can be utilized to make bicycle and pedestrian infrastructure improvements. Learn more about Maine’s TIF Program at: www.maine.gov/decd/start-grow/tax-incentives/tax_increment_financing.shtml

One last note: Portland’s Sustainable Transportation Fund and the TIF districts are in addition to the usual suspects you may have heard of or utilized already to fund bicycle and pedestrian projects in your community, for example, your municipality’s Capital Improvements budget, Community Development Block Grants, and MaineDOT’s Transportation Alternatives Program (formerly Transportation Enhancements and Safe Routes to School, a.k.a. the Quality Community Program). You may also be aware that municipalities that are part of Metropolitan Planning Organizations, those in the Portland, Bangor, Lewiston-Auburn, and Kittery regions, can apply for additional planning and construction funding.

While all funding is tight and sources are competitive, communities find ways every year to pay for bike-pedestrian improvements they need. So look into all of these and keep the faith for your own local efforts!



**BIKE
MAINE
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What do riders have to say about BikeMaine?

On the BikeMaine post-ride survey, 98% of the riders praised BikeMaine for its level of organization and the quality of the ride. Here’s a sampling of what riders had to say.

*“The planning of the route and the organization of the event really came together well so that **I was able to spend each day completely focused on enjoying the ride** and was not distracted by details, problems...”*

*“I have done other rides that were well organized and offered interesting rides but I never had one like this one. The energy and commitment for doing it, the wonderful opportunities to **interact with people in the communities and the sheer sense of happiness made it memorable.**”*

*“The routes were well marked. Course was adequately challenging. Afternoon and evenings were always fun with **different activities for everyone.** All the work of the tour was done for me, all I had to do was show up and ride.”*

*“The routes, event was well-organized, informative daily newsletters at breakfast and evening updates, great weather, and, most importantly, **I was able to accomplish something I never thought I could do,** and it has changed how I see myself...”*

*“This was my first experience in this type of event and **I’m afraid I have been spoiled.** Nice Job BikeMaine!”*