

Mandating Density Near Transit

Practices by States and Provinces in the United States and Canada to Direct Housing Growth to Transit Areas

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Transit-oriented development (TOD) creates dense, mixed-use, and walkable communities close to stations served by frequent and reliable public transportation (Calthorpe 1993; Renne and Appleyard 2019). TOD residents and workers benefit from easy access to affordable, environmentally sustainable, and convenient transit; a variety of services within walking distance; and less driving to get to the places they need to go. TOD can thus reduce transportation costs, pollution, and traffic congestion while increasing transit ridership and accommodating growth (Nasri and Zhang 2014; Renne et al. 2016). TOD's advantages are particularly substantial when affordable housing is integrated into projects, because families with low and moderate incomes are less likely to own cars and are more likely to benefit from expanded mobility through transit access (Boarnet et al. 2017).

TOD implementation requires accommodating regulations. In the United States and Canada, localities have historically shaped development through land-use policies; they can, for example, implement zoning rules that enable high densities and a mix of uses near transit. But not all cities have done so; many use exclusionary zoning to prevent dense construction.¹ In response, in recent years, some state and provincial legislatures have passed laws mandating for the first time that localities plan for additional housing (Lo, Rosenow, and Freemark 2025). TOD also requires an accommodating economic environment, meaning a strong enough real-estate market to make developing market-rate housing financially feasible, or public subsidies to make up the gap.

In this brief, we examine laws adopted by US states and Canadian provinces to direct housing growth to transit areas by mandating that localities adopt land-use regulations designed to enable higher density. We show how these approaches compare, but readers should examine the laws for details. We have inadequate information to ascertain the laws' outcomes, such as impacts on construction. We do not analyze local TOD laws or other types of legislation, such as laws that streamline permitting or set housing targets, which mandate that municipalities plan for growth concordant with local demand and population (Stacy, Mehrotra, and Hendey 2025).²

We recommend several practices for states and provinces seeking to expand investment through TOD:

- Introduce minimum density requirements designed to encourage a diversity of investments in new construction in areas near transit, while counteracting local efforts to evade density standards.
- Associate developer requirements, such as for on-site affordable housing, with adequate compensation.
- Provide assistance to localities for TOD-supportive infrastructure to improve quality of life in the areas surrounding stations.
- Maximize the use of public land, leveraging government-owned property to advance public benefits, such as for affordable housing.
- Enable transit agencies to act as developers or more easily partner with developers.
- Fund tracking mechanisms to evaluate TOD policies' impact on construction and housing affordability.

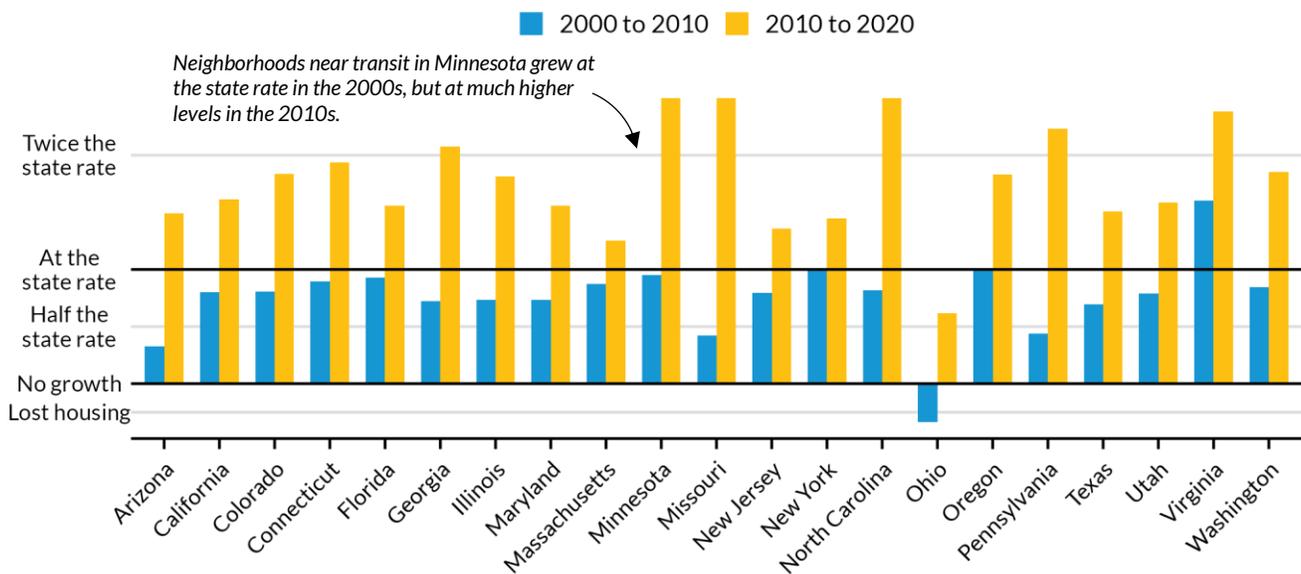
How Effectively Are States Adding Homes Near Transit?

Urban development patterns in the United States shifted over the 20th century from being primarily structured around walking and transit to being focused on automobile use (Brown, Morris, and Taylor 2009). The massive federal investment in the Interstate Highway System, which vastly outweighed spending on public transit, reshaped metropolitan growth and was linked with state and local policies to enable construction around roadways, mandate parking around new projects, and discourage walking (Ellis 2001). These trends were associated with reduced urban populations and outward sprawl, which, in turn, furthered automobile dependency (Baum-Snow 2010).

Since the 1970s, mounting public concerns about the negative impacts of highway building have slowed the construction of highways and increased investment in transportation alternatives (Mohl 2012).³ Simultaneously, planning practitioners developed the TOD concept and many policymakers adopted it into local comprehensive plans and zoning strategies. This approach has, in the process, risen in popularity as a mechanism to accommodate growth in urban areas nationwide (Freemark 2023).⁴

US states are increasingly focusing development near transit. Housing growth near rail stations in the typical state increased from 9.7 percent between 2000 and 2010 to 13.7 percent between 2010 and 2020 (we did not examine trends in Canada). In all but one state, housing growth near rail stations was more rapid than statewide during the second period (figure 1). This could be a result of several factors, including budding interest in living near transit, new investments in transit service, and altered local land-use policy. New state- and provincial-level regulations and financing aid can help generate more growth in transit areas.

FIGURE 1
Housing Supply Grew More Quickly Near Rail Transit Stations in the 2010s Than in the 2000s
Percentage growth in housing units within a half mile of rail transit stations, compared with statewide housing growth



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Source: Authors' analysis of data from the 2000, 2010, and 2020 US censuses, and Transit Explorer, using areal interpolation of tract-level data.
Notes: Includes data for stations that were operational or under construction in 2025. Excludes data for states where the total housing units in 2020 in relevant tracts was fewer than 100,000. Includes data for metro, light rail, commuter rail, monorail, and streetcar stations. Trends around bus rapid transit stations differ by state and are not shown in this figure. Data for Canada were not examined.

A Review of Recent Legislative Action by States and Provinces to Mandate Transit-Oriented Development Density

We identified seven major laws states and provinces have adopted to specifically mandate the implementation of density standards in areas near transit in British Columbia, California, Colorado, Massachusetts, Ontario, and Washington (table 1).⁵ These laws, which have all been enacted since 2020, set requirements that localities must follow regarding zoning; in some cases, they build on local policies designed to promote TOD and related state policies, such as those enabling middle-scale housing construction. In the remainder of this brief, we focus our attention on the contours of these seven state and provincial laws, while also referencing related laws.

TABLE 1

Summary of Recent Major State and Provincial Transit-Oriented Development Legislation

Legislation and year enacted	Municipal applicability	Zone types	Transit areas
British Columbia Bill 47 (enacted as Chapter 48, Housing Statutes (Transit-Oriented Areas) Amendment Act, 2023, Statutes of 2023)	Cities with transit access	All zones where residential is allowed	½ mile from metro; ¼ mile from commuter rail and bus hubs
California Assembly Bill 2011 (enacted as Chapter 647, AB-2011 Affordable Housing and High Road Jobs Act of 2022, Statutes of 2022) ^a	Metropolitan-area jurisdictions with at least 100,000 residents	Commercial zones and corridors	½ mile from major transit stops
California Senate Bill 79 (enacted as Chapter 512, An act to add Chapter 4.1.5 (commencing with Section 65912.155) to Division 1 of Title 7 of the Government Code, relating to land use, Statutes of 2025)	Jurisdictions in counties with at least 15 rail stations (8 counties statewide)	All zones where residential is allowed	½ mile from fixed-guideway transit (¼ mile in cities with fewer than 35,000 people)
Colorado House Bill 24–1313 (enacted as Chapter 168, Housing in Transit-Oriented Communities, Session Laws of 2024)	Metropolitan-area jurisdictions with at least 4,000 residents and at least 75 transit-adjacent acres	All zones (with minor exceptions)	½ mile from light and commuter rail; ¼ mile from frequent bus service
Massachusetts House Bill 5250 (enacted as Chapter 358, An Act Enabling Partnerships for Growth, the Acts of 2020)	Cities and towns served by MBTA, except Boston	Up to jurisdiction	50 acres or 1.5% of jurisdiction's land area, mostly within ½ mile of transit
Ontario Provincial Planning Statement 2024^b	Municipalities served by fixed-guideway transit	All zones	½ mile from fixed-guideway transit
Washington House Bill 1491 (enacted as Chapter 267, Transit-Oriented Housing Development, Laws of 2025)	Cities with transit access	All zones where residential is allowed	½ mile from light and commuter rail (¼ mile from BRT and in cities with fewer than 15,000 people)

Source: Author analysis of state and provincial laws and regulations.

Notes: BRT = bus rapid transit; MBTA = Massachusetts Bay Transportation Authority

^a Expanded by 2024's California Assembly Bill 2243; data presented here reflect that expansion.

^b Ontario developed this statement under rules established by the provincial Planning Act (R.S.O. 1990, Chapter P.13).

The laws in table 1 define neighborhoods within a half mile of transit stations as those where localities should plan for TOD. In some cases, this distance is reduced, such as for bus service areas or in smaller cities (rules also differ based on distance; see below). Not all laws apply to all localities; California Senate Bill 79, for example, only affects localities in eight counties, a decision resulting from political debate about the law's potential consequences

on other areas.⁶ Massachusetts House Bill 5250 takes a unique approach, enabling cities and towns with transit access to determine for themselves what section of the community they will classify as a transit area.⁷

The key mechanism by which states and provinces regulate how localities must plan near transit is by setting standards related to building density and, relatedly, height (table 2). These standards are the “base”; localities can zone at higher densities if they desire. But the approaches by which the laws implement this base are not uniform.

TABLE 2
States and Provinces Differ in What Density Requirements They Enforce on Localities
Density and height requirements, by transit mode and distance from stations

Legislation	Density rule	Transit zone	Metro ^a		Light Rail, Commuter Rail ^b		Frequent Bus, Bus Rapid Transit	
			Density	Height	Density	Height	Density	Height
British Columbia Bill 47 (enacted 2023)	Min.	660 ft.	5 FAR	20 fl.	4 FAR	12 fl.		
		¼ mile	4 FAR	12 fl.	3 FAR	8 fl.		
		½ mile	3 FAR	8 fl.				
California Assembly Bill 2011 (enacted 2022) ^c	Min.	All transit zones (½ mile)	80 u/a	65 ft.	80 u/a	65 ft.	80 u/a	65 ft.
California Senate Bill 79 (enacted 2025)	Min.	200 ft.	4.5 FAR, 160 u/a	95 ft.	4 FAR, 120 u/a	85 ft.	4 FAR, 120 u/a	85 ft.
		¼ mile	3.5 FAR, 120 u/a	75 ft.	3 FAR, 100 u/a	65 ft.	3 FAR, 100 u/a	65 ft.
		½ mile	3 FAR, 100 u/a	65 ft.	2.5 FAR, 60 u/a	55 ft.	2.5 FAR, 60 u/a	55 ft.
Colorado House Bill 24–1313 (enacted 2024)	Average	All transit zones (¼ or ½ mile)			40 u/a		40 u/a	
Massachusetts House Bill 5250 (enacted 2020)	Min.	All transit zones (½ mile)	15 u/a		15 u/a		15 u/a	
Ontario Provincial Planning Statement 2024 ^d	Min.	All transit zones (½ mile)	81 jobs, people/acre		61–65 jobs, people/acre		65 jobs, people/acre	
Washington House Bill 1491 (enacted 2025)	Average	All transit zones (¼ or ½ mile)			3.5 FAR		2.5 FAR ^e	

Source: Author analysis of state and provincial laws and regulations.

Notes: Min. = minimum; FAR = floor area ratio; u/a = units per acre. Where no information is noted, bill did not specify requirements. Depending on the law, density rules are enforced through requiring localities to rezone or accept development proposals meeting a certain density level.

^a For California Senate Bill 79, includes commuter rail services with at least 72 trains per day per direction.

^b For California Senate Bill 79, only applies to commuter rail services with at least 48 trains per day per direction.

^c Expanded by California Assembly Bill 2243 (enacted as Chapter 272, statutes of 2024); data presented reflect that expansion.

^d Ontario developed this statement under rules established by the provincial Planning Act (revised statutes of 1990, Chapter P.13).

^e FAR of 3 if cities exempt 25 percent of area from requirements.

Key differences between the seven laws in tables 1 and 2 include the following:

- **Types of transit:** In general, laws introduce the highest-density rules near metro services; then near light rail and commuter rail services; then near bus services. This follows the assumption that densities should be higher near rail stations—often perceived, sometimes inaccurately, as higher quality than bus stations.
- **Distance from transit stations:** Two laws—British Columbia Bill 47 and California Senate Bill 79—enforce higher density requirements closer to stations, under the assumption that concentrations of activity should be focused in the areas immediately adjacent to stations.⁸ There is evidence that this appropriately reflects higher transit use among people living and working nearest to stations (Guerra, Cervero, and Tischler 2012).
- **Floor area ratio, units per acre, or building heights:** The laws differ in how they implement density requirements. Some use a measure of building density, floor area ratio (FAR), defined as the ratio of building square footage to land area;⁹ others use a measure of housing density, units per acre, defined as the number of housing units per land area; still others implement a height requirement, expressed in feet or stories; and Ontario uses an estimate of floor space needed to accommodate a minimum density of people and jobs.

These requirements are also sometimes associated with setting housing targets, such as through California’s regional housing needs allocation process. Massachusetts House Bill 5250 includes a target-setting approach, requiring that municipalities to which the law applies accommodate the equivalent of 10 to 25 percent of citywide housing in locally determined transit districts. The laws in table 2 are typically enforced by the relevant state or provincial government; in Massachusetts, for instance, noncompliant localities face loss of grant funding.¹⁰

Minimum Versus Average Density Requirements

A key issue is whether laws mandate a *minimum* or *average* density. Mandating a *minimum* density means municipalities cannot zone at densities lower than a certain level, or cannot ban projects at that density (often with some exceptions). For example, British Columbia Bill 47 mandates that, within 660 feet of SkyTrain metro stations, cities cannot reject proposals for buildings with densities of 5 FAR and 20 stories.¹¹ California’s Assembly Bill 2011, designed to encourage housing in commercial zones, mandates that cities zone for at least 80 housing units per acre near transit stops (cities are allowed to “trade” density from one location to another).¹² A *minimum* density requirement means that the *average* zoned density in transit areas may ultimately be higher than that minimum.

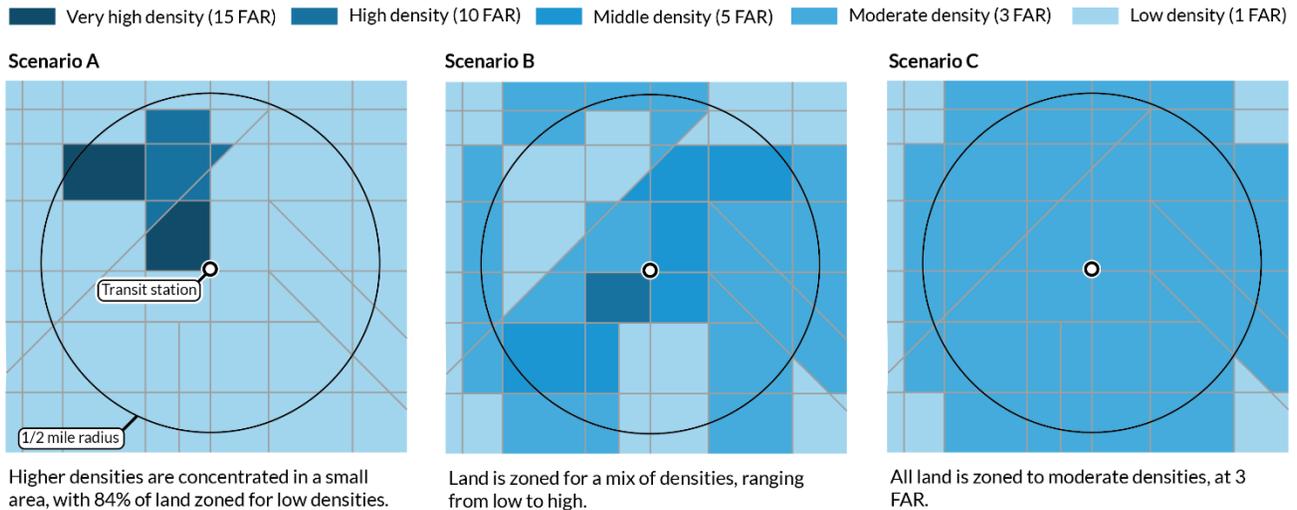
Colorado House Bill 24–1313 and Washington House Bill 1491, on the other hand, mandate *average* densities near stations.¹³ California Senate Bill 79, while implementing a minimum density requirement, nevertheless also authorizes cities to adopt *average minimum* densities across all transit stations within their boundaries, such as by reducing density on some sites by up to 50 percent and increasing it on others by up to 100 percent. This approach is intended to provide localities some freedom in their decisionmaking.

In figure 2, we illustrate three scenarios for how an *average* zoning requirement at 3 FAR could theoretically be applied by a locality. Scenario A concentrates high or very high densities (10 or 15 FAR) in just a small percentage of the transit area, with low densities (1 FAR) elsewhere in the transit area; scenario B mixes densities throughout the transit area; and scenario C has the whole transit area being zoned for moderate density (3 FAR).

Imposing an average density requirement, rather than a minimum requirement, may create openings for cities seeking to evade the intent of state or provincial TOD laws. A municipality may choose to concentrate high density zoning into a small area (figure 2 scenario A). Some municipalities may strategically assign higher densities to sites unlikely to be redeveloped, such as those occupied by a high-valued existing use or subject to historic preservation requirements. Although this approach would follow the letter of the law, it might not achieve broader TOD benefits. First, it could freeze conditions in low-density neighborhoods, even in some areas directly adjacent to stations. Second, it could limit the potential for middle-scale developments by constraining them to just a small portion of transit areas. At the same time, very high-density zoning may not result in high-density structures, since some types

of projects—such as with steel and concrete construction—typically only become financially feasible when market-rate values are quite high. Similarly, zoning the whole area to a minimum density (as in figure 2 scenario C) may make it more difficult for developers to build larger structures, potentially limiting construction.

FIGURE 2
Theoretical Approaches to Zone a Transit Neighborhood for an Average Density of 3 FAR



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Source: The authors.

Notes: FAR = floor area ratio.

States and provinces have opportunities to counter local evasion of density requirements. California Senate Bill 79 requires localities to waive development rules—such as setback restrictions—that would physically preclude the construction of projects meeting the law’s minimum density rules. The law also enables the state to fine municipalities if they deny permits for legally compliant projects in certain neighborhoods.

Complementary Approaches to Encouraging Transit-Oriented Development

Density requirements are the focus of most state and provincial TOD-related legislative action, but these are just one tactic of many that state and provincial governments are taking to expand development near transit. In this section, we review several related approaches, in some cases describing other legislation.

Affordable Housing Requirements

Several states attach affordable housing requirements to density mandates. Colorado House Bill 24–1313 requests that localities identify approaches to address affordability. More concretely, California Assembly Bill 2011, California Senate Bill 79, and Washington House Bill 1491 mandate that localities implement inclusionary zoning regulations. Inclusionary zoning requires that market-rate housing projects include units affordable to households with low or moderate incomes. The below-market rent of these affordable units is theoretically subsidized through the added density noted above and/or tax relief (as in Washington), but some inclusionary zoning rules may undermine project financing. The three laws mentioned above each mandate that localities offer developers several options for affordable-unit allowances (table 3), ranging from units affordable to families with extremely low incomes (at or below 30 percent of metropolitan median income) to units affordable to families with low incomes (at

or below 80 percent of median income). These laws are sometimes associated with project subsidies (see below). Localities typically have the opportunity to require deeper levels of affordability.

New Jersey encourages cities to meet their fair-share affordable housing obligations by locating such units in areas near transit stations.¹⁴ Washington State requires Sound Transit (a Seattle-region transit provider) to commit 80 percent of surplus land from public transportation project construction to developers that will guarantee affordability to moderate income households in 80 percent of units (Freemark et al. 2025).

Other states have enabled affordable housing projects to supersede local zoning ordinances that otherwise would stand in the way of affordable housing construction. For example, Florida’s Live Local Act (enacted as Chapter 2023–17 in 2023) allows affordable housing developers to preempt local zoning for eligible projects. Until Washington House Bill 1491 in 2025, however, these mandates did not focus on TOD. But Washington’s law provides a boost for affordable housing in the zoning code by requiring that localities provide developers a 1.5 FAR density boost over baseline zoning allowances for projects that comprise only units affordable at or below 80 percent of metropolitan area median income.

TABLE 3
Approaches for Transit-Oriented Development–Related Affordable Housing Requirements Differ by State

Legislation	Affordable housing requirement
California Assembly Bill 2011 ^a	Three options: (1) All units at 80% of AMI (2) Market rate, but 8% of units at 50% of AMI and 5% of units at 30% of AMI (3) Market rate, but 15% of units at 60% of AMI
California Senate Bill 79	Four options: (1) All affordable (2) Market rate, but 7% of units at 30% of AMI (3) Market rate, but 10% of units at 50% of AMI (4) Market rate, but 13% of units at 60% of AMI
Colorado House Bill 24–1313	Cities must identify strategies to address affordability and displacement.
Washington House Bill 1491	Four options: (1) All affordable (2) Market rate, but 10% of units at 60% of AMI (3) Market rate, but 20% of units at 80% of AMI (4) Market rate, but 10% of units at 80% of AMI if at least 10% of building units are 3+ bedroom

Source: Author analysis of state and provincial laws and regulations.

Notes: AMI = Area median income. Inclusionary zoning requirements are enforced by many of municipalities, including in transit areas; typically, these supersede state or provincial requirements. California enforces some antidisplacement provisions in its laws, such as protections for tenant-occupied buildings, which are not reflected here. British Columbia Bill 47 (2023), Massachusetts House Bill 5250 (2020), and Ontario Provincial Planning Statement (2024) do not include any specific affordable housing requirements.

^a Expanded by California Assembly Bill 2243 (enacted as Chapter 272, statutes of 2024), which is reflected here.

Subsidies for Development Projects Near Transit

Because units affordable to households with low incomes have rents that are too low to cover the costs of building those units, developers need to look elsewhere to make up the costs of providing affordable housing as part of development projects. In association with affordable housing requirements, some states have created subsidies for TOD. These subsidies help market-rate developers recoup some of their costs, beyond the benefit developers receive through TOD density boosts.

Washington House Bill 1491 expands the state’s multifamily property tax exemption program. Localities that implement TOD affordability requirements must also provide developers a 20-year property tax exemption on improvement value (the tax exemption does not apply to land value). That said, cities can enforce alternative inclusionary zoning requirements, associated with the property tax exemption, if they desire. In addition, the law requires that localities provide a 50 percent reduction in transportation impact fees for relevant TOD projects.

Hawaii House Bill 1409 (enacted as Act 159 in 2025), also subsidizes development projects, but as an approach to incentivize local governments to zone for higher density. The law created a new state revolving fund for mixed-income housing and dedicated 51 percent of its funds to counties that have zoned for at least 6 FAR in the areas within a half mile of transit stations, and at least 7 FAR in areas within a quarter mile. Similarly, Colorado House Bill 24–1313 dedicated \$30 million in new state affordable housing tax credits to neighborhoods located near transit.

Grants for Local Infrastructure Investment in Transit Areas

To accommodate TOD, localities need supportive infrastructure. This can take several forms: investment in improved streetscapes designed for pedestrians and cyclists, rather than just drivers, to ensure safe and comfortable passage to and from transit stations; quality-of-life-improving local amenities, such as neighborhood parks, libraries, and community centers; and sewer and water infrastructure to handle the demand from a growing population. These improvements can help make neighborhoods near transit attractive for developers that otherwise might be skeptical of making investments; this need is particularly acute in cities with otherwise weak housing markets. Several states have developed incentive programs with grants or other approaches directed to localities, specifically designed to support TOD.

Both Maryland and New Jersey have state growth legislation that is designed to direct investment into infill (already developed) areas, including communities near transit. These policies have been in effect for several decades and have helped focus state funding to those neighborhoods. More recently, Connecticut House Bill 5278 (enacted as File Number 403 in 2024) provided grants to municipalities to conduct TOD planning, which is necessary for some localities to assist them in determining how they want the future of their transit neighborhoods to look. Utah Senate Bill 217 (enacted as Chapter 411 of the 2021 session laws), enables cities and counties to create tax increment financing districts near transit that can capture increases in local property tax revenues for the purpose of funding improvements.

In some cases, states have sought to directly fund local projects to bolster the potential for TOD. Colorado House Bill 24–1313 includes a provision allocating \$35 million in infrastructure grants for municipalities investing in their transit areas. Washington House Bill 1491, section 4, includes the creation of a TOD infrastructure grant program, which would build on the state’s other grant programs designed to support municipal needs. Yet the state legislature has not funded this new program as of this writing.

Eliminating Parking Minimum Requirements for Projects Near Transit

Parking minimum requirements are associated with higher development costs and increased car use, each of which run contrary to the goal of increasing housing supply through TOD (Shoup 1999). In many cases, these minimums are set at much higher levels than needed, leading to empty, unused parking spaces. More than 100 cities throughout the United States have eliminated parking requirements.¹⁵ Now some states are eliminating parking minimums in transit neighborhoods, in some cases as part of the density mandate laws described above. These laws allow developers to provide parking at the level they desire, though some municipalities are piloting parking maximums.

California’s Assembly Bill 2097 (enacted as Chapter 459, Statutes of 2022) eliminated parking requirements for projects within a half mile of major transit stops, as did Illinois’ Senate Bill 2111 (passed by the legislature in 2025).¹⁶ Colorado’s House Bill 24–1304 (enacted as Chapter 159, Session Laws of 2024) eliminated parking requirements for

residential or mixed-use projects, though it maintained localities' ability to enforce requirements on affordable housing projects or large developments when local governments present substantial evidence for parking needs. In 2022, under its legal authority, Oregon's Land Conservation and Development Commission eliminated all parking requirements within a half mile of frequent transit. And Washington's House Bill 1491 (2025) eliminated parking rules for projects in transit areas. Washington Senate Bill 5184 (enacted as Chapter 204, Laws of 2025) eliminated parking requirements for many uses *statewide*, including all residences with less than 1,200 square feet.

Leveraging Public Resources, Including Public Land and Public Developers, in Transit Areas

States and provinces have increasingly encouraged TOD by leveraging public resources. One key opportunity is better using federal, state, and local government-owned public land, which is often available in areas surrounding transit construction because transit projects often use land beyond the end-project footprint for crews and materials storage.¹⁷ On that land, public agencies can lead joint development projects with housing, with the goal of not having to rely on private developers to get projects moving.

Higher-level governments can encourage or require public agencies to lead projects. Washington House Bill 1491 includes a provision for Sound Transit to pilot mixed-use projects on three of its existing park-and-ride lots that are located along the routes of planned bus rapid transit lines. Illinois Senate Bill 2111 provides transit agencies the power to acquire land for TOD and lead or partner on development projects. In British Columbia, the provincial government has given the Vancouver region Translink transit agency to collaborate with developers to build dense housing complexes, often directly adjacent to stations. The Ontario Transit-Oriented Communities Act (Chapter 18, Statutes of 2020), similarly enabled the Minister of Infrastructure to pursue joint developments near transit; these powers can be delegated to the Toronto region Metrolinx transit agency and to other public agencies.

Finally, California Senate Bill 79, enacted in 2025, expands transit agencies' ability to develop their land; it builds on Assembly Bill 2923 (enacted as Chapter 1000, Statutes of 2018), which delegated such powers to the Bay Area Rapid Transit agency. The 2025 law entitles agencies to set TOD development standards at up to twice the density of those for projects in general, though localities can limit building heights. The law also enables agencies to lead joint development projects on their land, with the provision that 20 percent of housing is affordable to households with low or moderate incomes, and that projects meet higher environmental and labor standards; these requirements may make developments difficult to finance.

Recommendations for State Policymakers Seeking to Advance Transit-Oriented Development

This brief documents how states and provinces are taking strides toward increasing housing near transit through laws that mandate localities to implement higher density standards and that provide complementary investments in affordable housing and local infrastructure. Although the recency of these laws means they have not yet had time to produce many tangible development outcomes, our conversations with planners, policymakers, and developers provided insights into risks and mitigation measures for states and provinces considering similar laws. TOD policies can help reinforce the progress states and provinces are already making in expanding the share of housing near transit, which can reduce car dependence, increase transit ridership, and limit pollution.

Based on the examples we profile, we recommend that states and provinces take the following actions:

- **Introduce minimum density requirements** that ensure that dense, mixed-use projects can be built near transit. These requirements must be designed to prevent localities from taking actions such as concentrating density in areas where development is unlikely, which would evade the intent of state or provincial rules. Rule-breaking localities should face fines, enforced by higher-level governments.

- **Associate developer requirements with adequate compensation.** Although affordable housing is necessary in transit areas to ensure everyone can live in TODs, inclusionary zoning rules that are too tough may imperil construction. Such mandates should be carefully calibrated and made dynamic or responsive to market conditions (e.g., by varying requirements based on recent construction levels) to ensure they enable projects to pencil out. Additional subsidies for projects or households with incomes too low to afford living in TOD may be a mechanism to fill the gap.
- **Provide localities grant assistance for TOD-supportive infrastructure.** Cities with limited tax bases need funding to cover the costs of sewer, water, street improvements, landscaping, and more. States and provinces can help distribute funds to the communities that need assistance the most.
- **Maximize the use of public land,** which can be leveraged to reduce development costs and make projects feasible in communities with high land costs.
- **Enable transit agencies to act as developers or partner in development,** which can speed projects in certain areas, especially in the context of the construction of new transit lines.
- **Fund tracking mechanisms** to evaluate the effectiveness of TOD policies. Specific state or metropolitan-level agencies should be appointed to determine the degree to which housing is being concentrated in areas near transit, and to ensure that that housing offers residents a high quality of life.

More action is needed to maximize the potential for housing production in transit areas. We could not identify mandates for localities to promote TOD in most states or provinces, including in many of those with the most effective transit systems, such as New York and Pennsylvania. Policymakers elected in these states and provinces should evaluate what kinds of TOD strategies might be transferable to their locales. Moreover, there is considerable variation even in the approaches taken by the states and provinces we profile here. Research is needed to understand which policies are working most effectively to add housing in areas near transit.

We also believe there are opportunities to go beyond the examples we describe. One option is for states, provinces, and localities to direct public agencies and publicly funded agencies providing services (e.g., public libraries) to lease space in TOD buildings—or jointly develop such buildings—as a default. This can help ensure that transit areas provide a mix of services and improve quality of life for residents of these neighborhoods.

Notes

- ¹ Yonah Freemark, “Exclusionary Zoning Limits Opportunity by Concentrating Subsidized Housing in a Small Part of the Puget Sound Region,” Urban Institute *Urban Wire*, June 22, 2023, <https://www.urban.org/urban-wire/exclusionary-zoning-limits-opportunity-concentrating-subsidized-housing-small-part-puget>.
- ² Some metropolitan areas, such as Montreal, Quebec’s, have implemented regional TOD policies that mandate minimum zoning through the implementation of the metropolitan plan. See Communauté métropolitaine de Montréal, “Plan Métropolitain d’Aménagement et de Développement | PMAD,” accessed December 8, 2025, <https://cmm.gc.ca/planification/plan-metropolitain-damenagement-et-de-developpement-pmad/>.
- ³ Yonah Freemark, “Transit Expansion in the United States: A 2024 Roundup and a Look Ahead to 2025,” *The Transport Politic*, January 6, 2025, <https://www.thetransportpolitic.com/2025/01/06/transit-expansion-in-the-united-states-a-2024-roundup-and-a-look-ahead-to-2025/>.
- ⁴ Yonah Freemark, “Spurring Housing Development Near Transit through Federally Funded Land Acquisition,” Urban Institute *Urban Wire*, February 27, 2024, <https://www.urban.org/urban-wire/spurring-housing-development-near-transit-through-federally-funded-land-acquisition>.
- ⁵ Close to publication, Connecticut enacted new legislation related to TOD (House Bill 8002, enacted as An Act Concerning Housing Growth, Public Act Number 25–1), but because of timeline, we do not include it in our analysis. The law mandates that municipalities enable projects within a half mile of rail and bus service that have two to nine housing units on lots zoned for commercial and mixed uses. In addition, the law encourages, but does not require, localities to enact allowances for such

middle housing projects on residentially zoned lots, as well as to create transit-oriented districts where zoning allows by-right development of projects that (a) have ten or more units, of which at least 30 percent are affordable; and (b) are fully affordable and located on lots owned by the municipality, a public housing authority, a nonprofit entity, or a religious entity. The law provides municipalities incentives in the form of access to grants and reduced state affordable housing requirements.

- ⁶ An act to add Chapter 4.1.5 (commencing with Section 65912.155) to Division 1 of Title 7 of the Government Code, relating to land use. SB 79, Chapter 512 (CA 2025), <https://legiscan.com/CA/text/SB79/2025>.
- ⁷ An Act Enabling Partnerships for Growth, HB 5250, Chapter 358 (MA 2020), <https://malegislature.gov/Laws/SessionLaws/Acts/2020/Chapter358>.
- ⁸ Housing Statutes (Transit-Oriented Areas) Amendment Act, 2023, 2023 Leg., 4th Sess., 42nd Parl. (BC 2023), <https://www.bclaws.gov.bc.ca/civix/document/id/bills/billsprevious/4th42nd:gov47-3>.
- ⁹ We use shorthand for this ratio throughout this brief. For example, 5 FAR indicates a 5:1 ratio of building square footage to land area; if a parcel were 50 percent occupied by a building, a 5 FAR building would have 10 stories.
- ¹⁰ Tréa Lavery, “Mass. adds new penalties for towns not following MBTA Communities zoning law,” Mass Live, August 17, 2023, <https://www.masslive.com/politics/2023/08/mass-adds-new-penalties-for-towns-not-following-mbta-communities-zoning-law.html>.
- ¹¹ At least based on their density levels; the law may enable municipalities to use other tools to prevent projects from being built. See Howard Chai, “BC’s Transit-Oriented Development Policy Leaves Many Questions Unanswered,” *Stories*, December 21, 2023, <https://storeys.com/bc-transit-oriented-development-policy/>.
- ¹² AB-2011 Affordable Housing and High Road Jobs Act of 2022, CA AB-2011, Chapter 647 (CA 2022) https://leginfo.legislature.ca.gov/faces/billNavClient.xhtml?bill_id=202120220AB2011.
- ¹³ Housing in Transit-Oriented Communities, 2024 Leg. 1st Sess. 75th Gen. Assem. (CO 2024). <https://leg.colorado.gov/bills/hb24-1313>; Transit-Oriented Housing Development, 69th Leg. 2025 Sess., Chapter 267, (WA 2025), <https://lawfilesexternal.wa.gov/biennium/2025-26/Pdf/Bills/Session%20Laws/House/1491-S3.SL.pdf#page=1>.
- ¹⁴ NJTOD, “The 4th Round of New Jersey Affordable Housing Obligations,” October 29, 2024, <https://www.njtod.org/the-4th-round-of-new-jersey-affordable-housing-obligations-a-transit-friendly-perspective/>.
- ¹⁵ Parking Reform Network, “Map,” accessed October 6, 2025, <https://parkingreform.org/resources/mandates-map/>.
- ¹⁶ Illinois’ law also eliminates parking requirements within an eighth mile of bus routes with service every 15 minutes.
- ¹⁷ Jorge González-Hermoso and Yonah Freemark, “Leveraging Underused Transit Properties Could Produce More Affordable Housing,” *Urban Institute Urban Wire*, November 30, 2023, <https://www.urban.org/urban-wire/leveraging-underused-transit-properties-could-produce-more-affordable-housing>.

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