

Expanding the Use of Value Capture for Transportation and TOD in Massachusetts

EXECUTIVE SUMMARY

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STRATEGICECONOMICS

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Public investments in transit, highways, roads and other infrastructure generate value for nearby property owners. The term “value capture” refers to any strategy whereby a public agency “captures” a portion of the increased property values to help pay for the infrastructure itself. Around the country, commonly used value capture tools include special assessments and taxes, tax increment financing, various forms of developer contributions, and joint development or other public sector real estate transactions.

The concept of value capture is increasingly discussed in the context of transportation finance, particularly as a means to fund new transit. In Massachusetts, value capture is being considered as one potential source that can be tapped to provide much-needed funding for a variety of state and local transportation projects. This study identifies opportunities for expanding the use of value capture in Massachusetts to pay for transit, other transportation projects, and infrastructure required to support transit-oriented development (TOD).

The study examines the Commonwealth’s current value capture tools, drawing on examples from around the country, as well as interviews with 35 state, regional and local officials. The study also considers the potential for value capture through five case studies of transportation and TOD projects currently planned or underway in Massachusetts. Based on this research, the study recommends a number of ways in which Massachusetts laws, policies, and regulations could be changed in order to encourage broader use of value capture for transportation and TOD infrastructure generally, with a special focus on transit.

This executive summary provides an overview of key findings and recommendations from the report, and is organized into the following sections:

- **Massachusetts’ Infrastructure Needs:** Describes the types of transportation and TOD-supportive infrastructure that the Commonwealth, cities, and towns are expected to prioritize in the coming five to ten years, and that are the focus of this study.
- **Overview of Value Capture Tools:** Reviews the types of value capture tools that are used around the country, as well as the tools that are authorized for use in Massachusetts.
- **Considerations for Implementing Value Capture:** Describes the conditions that are required for the successful use of value capture, in the context of the specific fiscal and governance issues that shape the use of value capture in the Commonwealth.
- **Common Uses of Value Capture in the U.S. and Massachusetts:** Discusses the ways in which value capture is currently used, both nationally and in Massachusetts.
- **Recommendations:** Provides a series of recommendations for action by state and local governments for expanding the use of value capture to pay for transportation and TOD in Massachusetts, with a focus on transit capital improvements and operations.

Massachusetts’ Infrastructure Needs

This study evaluates the potential use of value capture for the types of transportation projects that the Commonwealth and local governments are expected to prioritize over the next five to ten years. Based on the transportation investments identified in the Commonwealth’s Five-Year Capital Investment Plan (CIP) for Fiscal Year 2017 and interviews with state, regional, and local officials, the study focuses on the following types of projects:

- **Transit capital expansions:** While the current Administration is focused primarily on improvements to existing infrastructure, nevertheless a few capital expansion projects are underway or may proceed

in the next five to ten years. These include construction of the Green Line Extension, planning and design work on the Knowledge Corridor commuter rail and South Coast Rail projects, new or improved bus rapid transit (BRT) in the Boston region, and new infill stations and multi-modal facilities to expand service on existing transit lines.

- **Transit improvements:** State of good repair and modernization improvements are a particularly high priority for the MBTA following major breakdowns in the system during the record-setting snows of early 2015, and as a result of ongoing challenges in the timely performance of commuter rail, the Red Line, and other systems.
- **Capacity improvements to existing transit facilities:** This category includes improvements to existing systems that will allow for more frequent headways and accommodate increased ridership, such as the purchase of new vehicles for existing train lines or investment in expanded platforms.
- **Highway capital projects:** While Massachusetts is planning few if any investments in new highway lane miles, potential projects include building new interchanges, tearing down outdated highway infrastructure, and building or replacing bridges.
- **Local investments needed to encourage transit-oriented development:** By focusing new development near transit, Massachusetts can increase ridership and maximize the returns on the state's transit investments. Typically defined as a mix of compact housing, commercial, and other development located within walking distance of high-frequency rail, subway, or bus transit, TOD often requires significant up-front investments in infrastructure and community facilities, such as:
 - *Connectivity Improvements and Other Infrastructure to Support Development:* Investing in local streets, new or improved sidewalks, bicycle facilities, streetscape improvements (e.g., crosswalks, lighting, street furniture), or other infrastructure improvements (e.g., sewer, water, storm drain) in order to address infrastructure constraints, encourage private investment, and connect residents and workers to transit stations and other amenities.
 - *Affordable Housing and Other Community Facilities:* In addition to connectivity and other infrastructure improvements, successful TOD may require investing in the production or preservation of affordable housing to ensure that low- and moderate-income residents can take advantage of the benefits of transit access. Investing in affordable housing near transit can also help to support the transit system through increased ridership. Other community facilities, such as parks and open space, may also be required to make development feasible and/or improve local quality of life.

Overview of Value Capture Tools

Value capture tools consist of a variety of property-based financing mechanisms that are employed by the public sector. Nationally, these tools include special assessments and taxes, tax increment financing (TIF), various forms of developer contributions, and public sector real estate transactions. State legislative authority is typically required to enable the use of value capture tools. Not every tool is used in every state, and the tools work differently in different parts of the country depending on each state's constitutional and statutory framework. Figure 1 provides a generalized description of each type of tool, and shows which tools are authorized for use in Massachusetts.

Figure 1: Types of Value Capture Tools

Type of Tool	Definition	Tools Used in Massachusetts
Tax increment financing (TIF)^a	Diversion of growth in tax revenues generated within a district (usually property tax)	District Improvement Financing (DIF) Infrastructure Investment Incentive Program (I-Cubed) ^b
Special assessments and taxes	An additional assessment or tax on properties or businesses within a specific district or jurisdiction	Local Infrastructure Development Program (LIDP) Business Improvement Districts (BIDs) Betterments and Special Assessments
Developer contributions	Includes a variety of mechanisms by which developers contribute directly to the provision of infrastructure and community facilities, including: <ul style="list-style-type: none"> • <i>Development impact, linkage, and in-lieu fees:</i> A one-time fee assessed on new development to offset the cost of infrastructure needs generated by development • <i>Negotiated development contributions:</i> Direct provision of or payment for public improvements by a developer in conjunction with a development project • <i>Density bonus programs:</i> A zoning tool that allows developers to build to a higher density or height in exchange for provision of specific community benefits 	Impact Fees ^c Affordable Housing Linkage and In-Lieu Fees Negotiated developer contributions Density Bonuses
Public sector real estate transaction	Revenues generated through sale, ground lease, joint development, or concessions on publicly-owned land, air rights, or facilities	Joint Development Sale and Ground Lease Concessions

^a In Massachusetts, the term “tax increment financing” is typically used to refer to tax abatements provided to developers or employers in order to promote economic development. DIF is a more traditional form of TIF, in that it is intended to capture incremental growth in municipal property tax revenues in order to fund public improvements.

^b Note that I-Cubed also includes a special assessment district component.

^c Subject to significant constitutional restrictions.

Source: Strategic Economics, 2016.

Value Capture Case Studies

The findings and recommendations in this report are based in part on five case studies of projects that are currently planned or under construction in the Commonwealth:

- **Allston Interchange:** The Massachusetts Department of Transportation (MassDOT) is developing a plan to replace and reconfigure the existing Allston interchange and viaduct on I-90, and to build a new commuter rail station to serve the area. This transportation project will open up major opportunities for new development and create significant value for Harvard University, which owns the land currently occupied by the interchange. MassDOT is already capturing some of this value through an agreement that the agency negotiated with Harvard University. This case study discusses the potential for the Boston Planning and Development Agency (BPDA) (formerly Boston Redevelopment Authority) and other public partners to use negotiated development contributions, the Local Infrastructure Development Program, District Improvement Financing, and/or I-Cubed to capture additional value to help create a new, high-quality, urban district in Boston's Allston neighborhood.
- **South Boston Waterfront:** The South Boston Waterfront is one of the fastest growing urban areas in the Commonwealth. As part of the city approval process for the development projects that have been completed or are underway, the BPDA has already negotiated local infrastructure improvements and other public benefits. This case study examines the potential to implement more systematic, district-based value capture tools (such as a density bonus program, impact fees, a special assessment district, or DIF) to help fund the connectivity improvements that are required to both address existing congestion and mobility challenges in the South Boston Waterfront, and to ensure that the transportation system can accommodate additional growth.
- **South Coast Rail:** MassDOT is considering extending commuter rail service to Massachusetts' South Coast. The project, which has been under review since 1994, would restore transit access to Boston for the gateway cities of Taunton, New Bedford, and Fall River – the only three major communities within 50 miles of Boston that cannot currently access the city by rail. The reintroduction of commuter rail to the South Coast is expected to attract economic development and generate environmental and quality of life benefits in a region that has experienced limited growth in recent years. However, the large number of jurisdictions involved and the relatively weak real estate market in many of the station areas may limit the potential to use value capture to help pay for the rail project. In light of these challenges, this case study discusses the potential to use a tax increment financing tool such as DIF to help pay either for the transit itself, or for local connectivity improvements and other infrastructure needed to enable new development.
- **Red Line:** The Red Line is the Massachusetts Bay Transit Authority's (MBTA's) busiest rapid transit line. Large-scale system failures experienced in the winter of 2015 highlighted both the critical importance of the Red Line to the region's economy, and the maintenance challenges associated with operating a rapidly aging system. Significant improvements are required to bring the system into a state of good repair, expand capacity, and improve efficiency to enable future economic development around the stations. While there is limited precedent for using value capture to pay for state of good repair or other improvements to existing transit systems, Red Line service plays such a critical role in enabling investment and economic growth that this line may provide an opportunity for the Commonwealth to pioneer a new type of value capture strategy. This case study explores innovative approaches for using value capture to help pay for state of good repair and improvements, from negotiated developer contributions to a municipal contribution funded by special assessments, DIF, or another mechanism.

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Value Capture Case Studies (Continued)

- Green Line Extension (GLX):** This project would extend MBTA Green Line service into Somerville, Cambridge, and Medford. A significant amount of development is planned for development in future GLX station areas, much of which will only happen if the GLX is completed as planned. New development that is directly associated with the GLX (and is unlikely to occur in the absence of the transit project) is expected to generate \$250 to \$280 million in combined property tax revenues for Somerville, Cambridge, and Medford, and \$399 to \$431 million in state tax revenues over thirty years. This case study estimated the potential magnitude of value that could be raised by either dedicating a share of the incremental growth in local property tax revenues to the project, or negotiating development contributions to pay for local-serving infrastructure needs such as bicycle and pedestrian connections to the stations. The case study also explored the potential implementation challenges with capturing this value, especially given that construction of the GLX and many nearby development projects are already underway. This analysis helped inform negotiations among MassDOT and the cities of Somerville and Cambridge over an appropriate local financial contribution to support completion of the project.

Reflecting the fact that most of case study projects (with the exception of the GLX) are still in the early planning stages, there is uncertainty about the amount of value that the projects might generate for property owners, developers, and municipalities. Nevertheless, the five case studies helped highlight some of the opportunities and challenges associated with expanding the use of value capture in the Commonwealth. For example, Massachusetts law currently authorizes a variety of financing tools that can be used to capture value from individual development projects (such as the Allston Interchange project). However, new tools and approaches are required to expand the use of value capture for use in larger districts (such as the South Boston Waterfront), or to help fund transit corridors serving multiple jurisdictions within a region (such as the Red Line improvements, the Green Line Extension, or South Coast Rail). These and other findings from the case studies are discussed in more detail below.

Considerations for Implementing Value Capture

Value capture is not a “silver bullet” strategy that can be applied to every transportation or TOD project. In general, value capture is most likely to be successful when certain conditions are met. These conditions are discussed below and summarized in Figure 2. Note that value capture may still be successful in some cases that meet some, but not all, of the following conditions:

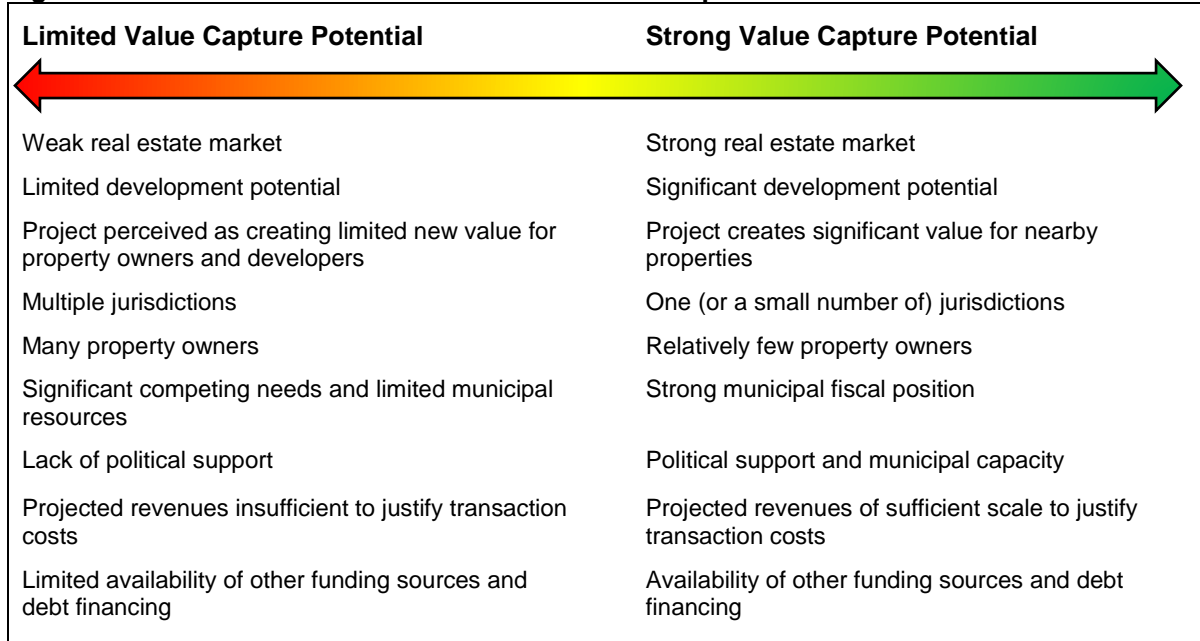
- Strong real estate market with significant development potential:** Most value capture tools are designed to capture value from new development. As a result, value capture strategies are most likely to be successful in locations with relatively strong real estate markets where significant new development is expected. It is important to note that Massachusetts includes a wide range of communities characterized by very different economic conditions, from cities and towns in the Boston metro area that are experiencing rapid development and property value appreciation, to more economically challenged gateway cities and rural areas. Even along a single transit corridor (such as along the Red Line or the Green Line Extension) or within one jurisdiction, some neighborhoods may have booming real estate markets, while others may require major public investments or economic development incentives in order to attract private sector interest. Moreover, not every infrastructure project generates the same value for nearby properties. Some projects generate substantial additional value; others are much more modest.
- Infrastructure investment that serves a limited number of jurisdictions:** Local governments typically have primary responsibility for implementing value capture tools – even in Massachusetts, where the state government plays a larger role in the direct provision and the funding and financing of infrastructure (including in the implementation of tools such as I-Cubed) compared to many other

states. Implementing a value capture strategy for projects that involve many municipalities (such as South Coast Rail, the Red Line, or the Green Line Extension) requires much more complex coordination among the different stakeholders, and individual municipalities may not see a clear value proposition in contributing to projects needed to serve an entire district or region. However, multi-jurisdiction projects, though complex to coordinate, provide clear regional benefits. Using value capture to finance regional-serving infrastructure will require creative approaches, and active involvement on the part of the Commonwealth.

- **Relatively limited number of property owners and strong private sector interest:** Many value capture tools require direct negotiations with or approval by affected property owners or developers. As a result, while value capture strategies may involve multiple property owners (for example, within a planning or development district), they are generally easiest to implement where there are limited number of property owners who strongly support a planned improvement and expect their properties or development projects to receive direct benefits. The Allston Interchange project is a good example of an infrastructure project that creates value for the private sector (in this case, by relocating a highway interchange and viaduct to free up land that would not otherwise be available for development, in a location where the market is likely to support significant development activity), involves a single property owner (Harvard University), and a relatively limited number of public agencies (the City of Boston and MassDOT).
- **Strong municipal finances:** Value capture tools often rely on the same sources of revenue – such as property tax – that local governments rely on to pay for other essential local services and infrastructure, including schools, parks, public safety, sidewalks and sewers. In the absence of any local sales or income tax, cities and towns in Massachusetts are particularly dependent on property tax revenues to fund local services and provide local infrastructure. Moreover, Proposition 2½ limits local governments’ ability to increase property tax revenues and municipalities require state legislative authorization in order to enact new taxes or fees. The use of value capture transportation projects can be particularly challenging for municipalities with limited resources facing high levels of social need or other costly infrastructure investments, or when value capture strategies are viewed as important for providing other community benefits such as affordable housing.
- **Political support and municipal capacity:** Because value capture requires local governments, property owners, and/or developers to devote scarce resources to specific project, value capture will be most successful for projects where there is strong leadership and support for both the implementation of the project, and the use of value capture as an appropriate funding source. Implementing and administering value capture financing tools also requires considerable municipal staff expertise and capacity, and/or assistance from legal and financial consultants. This is an especially important consideration for smaller communities.
- **Scale:** Value capture strategies are time consuming and complex, and typically require the expertise of municipal bond financing experts, economic development experts, real estate appraisers, financial analysts, and planners. Projects must be of sufficient scale and offer significant potential for the public and private sectors in order to justify the time and effort involved in implementation.
- **Availability of other funding sources:** Value capture is typically just one of many funding sources included in the financing strategy for an infrastructure project.
- **Ability to secure debt:** One of the fundamental challenges for value capture strategies is the need to secure debt in advance of expected future increases in property values and development, in order to pay for upfront improvements. In Massachusetts, cities and towns rarely issue revenue bonds (i.e., bonds that are backed solely by a special, dedicated funding stream, such as revenues from a tax increment financing or special assessment district). Instead, most municipal projects are financed with general obligation bonds, meaning they are backed by the full faith and credit of the city or town. The

Commonwealth also sometimes issues revenue bonds to assist with local infrastructure financing – for example, through the I-Cubed program.

Figure 2: Indicators for the Successful Use of Value Capture



Common Uses of Value Capture in the U.S. and Massachusetts

Around the country, the most common use of property-based financing tools is for connectivity and other infrastructure improvements that serve either an individual development project, or a district encompassing multiple property owners where significant development is planned. These types of improvements are often well-suited for a value capture strategy because they are located within a single jurisdiction, and they can open up new development opportunities by addressing constraints on growth or improving access to transit stations and other amenities. Moreover, providing this type of infrastructure is typically the responsibility of local governments, creating a clear rationale for municipal officials to dedicate incremental property tax revenues or other resources to paying for these uses. Some value capture tools are also commonly used to pay for affordable housing and other community facilities.

In contrast, value capture tools are used relatively infrequently in the U.S. for transit and highway infrastructure. These types of projects tend to be more challenging to finance using value capture, because most value capture tools are implemented by individual municipalities, and may often be used only within small districts or single development projects. As a result, transportation projects that serve a geographically limited district within a single city – such as streetcars, infill stations, or highway on- or off-ramps – are more likely to utilize value capture strategies than projects that serve multiple neighborhoods or jurisdictions (such as a BRT, subway, or commuter rail line).

When value capture is used for transit, it is typically used for transit expansions and other major capital projects, rather than state of good repair improvements. As discussed in the Red Line case study, state of good repair and other improvements to existing transit systems often enhance the overall transit system, which may serve multiple jurisdictions and encompass a variety of real estate market contexts. Property owners and developers in one station area or district may be reluctant to pay for system-wide improvements, especially in the absence of a strategy for extracting contributions from other project beneficiaries. Moreover, some improvements to existing facilities may be considered maintenance, and the

use of some value capture tools are limited to major capital (as opposed to operating and maintenance) expenses.

Massachusetts is already using value capture to pay for transit, other transportation projects, and TOD. The value capture tools most commonly used for these purposes include negotiated development contributions, joint development, the Infrastructure Investment Incentive Program (I-Cubed), and District Improvement Financing (DIF). These tools are well designed to capture value from individual properties or development projects, such as the Allston Interchange project or from individual master planned developments within the South Boston Waterfront district.

However, most of the existing value capture tools authorized by the Commonwealth are not well-suited to capturing value from multiple properties or jurisdictions. Massachusetts has limited tools available to pay for infrastructure to serve a broader district (such as a shuttle or other district connectivity improvements needed in the South Boston Waterfront), let alone a corridor spanning multiple jurisdictions (such as the Red Line improvements, the Green Line Extension, or South Coast Rail).

Value Capture and Bus Rapid Transit

Bus Rapid Transit (BRT) is a type of bus-based transit system that typically combines dedicated bus lines with other characteristics such as off-board fare collection, platform boarding, and bus priority at intersections. These elements allow BRT systems to provide higher capacity and speed, and better service quality than regular bus service. The Boston metro area currently has one bus line, the Silver Line, that operates as a BRT in some segments, and the region is considering both improving service on the existing line and expanding the BRT network.

While value capture has been used to fund streetcars, commuter light rail stations, and a variety of other rail transit projects with characteristics similar to BRT, there are no known examples of value capture tools being used – either in the U.S. or internationally – to help fund BRT. Some Brazilian cities (including São Paulo and Curitiba) have established the legal framework to use value capture tools to pay for transit, but the programs have not been implemented to date and are not specific to BRT. However, recent research has found that BRT systems promote higher property values and rents, and attract new commercial and residential development. For example, a 2012 study of Boston’s Silver Line found that a condominium unit located 100 feet away from a station was worth \$45 per square foot more than one located 1,000 feet away from a station.^a A study of 21 North American light rail and bus rapid transit lines found that BRT attracted significant new development – often more than comparable light rail corridors.^b

These emerging findings suggest that there may be potential to use value capture tools to help pay for capital or operating costs of BRT projects, especially for BRT projects that involve a limited number of jurisdictions, serve areas with significant development potential, and offer major reductions in travel time and other transportation benefits compared to existing bus service. For example, a BRT line that offers a clear value proposition for nearby property owners might be partially funded using a district-based property assessment, similar to streetcar projects in Portland and Seattle.

^a Victoria Perk, “Land Use & Property Value Impacts of BRT” (5th National Bus Rapid Transit Conference, Las Vegas, NV, August 20, 2012), <http://onlinepubs.trb.org/onlinepubs/conferences/2012/BRT/Perk.pdf>.

^b Walter Hook, Stephanie Lotshaw, and Annie Weinstock, “More Development for Your Transit Dollar: An Analysis of 21 North American Transit Corridors” (Institute for Transportation & Development Policy, September 2013), http://www.itdp.org/documents/ITDP_MORE_DEVELOPMENT_924.pdf.

Recommendations

As discussed above, the Commonwealth, local governments, and transit agencies in Massachusetts are already using value capture to pay for transit, other transportation projects, and other TOD-supportive infrastructure. However, opportunities exist to expand the use of value capture by adjusting existing tools, drawing on examples from other states, and considering innovative new approaches. In particular, the study identifies four ways in which Massachusetts laws, policies, and regulations could be changed in order to support broader use of value capture for transportation and TOD infrastructure. The recommendations are summarized below and discussed in more detail in Chapter VI of this report. It is important to note that while these recommendations could help facilitate the wider use of value capture in Massachusetts, value capture will not work as a funding source for every transportation project.

Recommendation #1: Clarify existing tools to facilitate their use for transit, transportation, and TOD.

Uncertainty about how some of Massachusetts' existing tools may be used is one factor limiting the broader use of value capture for transit, transportation, and TOD-supporting infrastructure. New state legislation, guidelines, or training could help resolve outstanding questions and facilitate the wider use of tools such as DIF, impact fees, and BIDs. Specific changes that the Commonwealth should consider to clarify existing tools include:

- 1A: Consider issuing guidelines and providing training for local assessors on the use of District Improvement Financing, especially as DIF relates to Proposition 2½.
- 1B: Clarify the authority that cities and towns have to impose impact fees.

Recommendation #2: Create new tools or adjust existing tools to allow for expanded use of value capture at the local district level.

Massachusetts already has a number of tools that are frequently used to pay for infrastructure needed to serve individual development projects, including negotiated contributions, I-Cubed, and DIF. However, unlike some other states, the Commonwealth does not currently have tools that are well-suited to paying for improvements that serve multiple properties within a larger planning area or district. In order to fill this gap, the Commonwealth can draw on the ways that other states use special assessment districts and tax increment financing tools, and/or consider expanding on the existing I-Cubed program so that it can be used at the district level. Specific changes that the Commonwealth should consider include:

- 2A: Reduce the property owner approval threshold for the Local Infrastructure Development Program, or create a new form of special assessment or taxing district that is subject to majority approval by property owners.
- 2B: Create a new Community Benefit District tool that may be used to fund transit operations and/or clarify that Business Improvement Districts may be used for this purpose.
- 2C: Consider amending the District Improvement Financing tool to allow the districts to capture incremental state tax revenues as well as local tax revenues for certain projects.
- 2D: Monitor the downtown Brockton DIF to determine whether other changes to state law could help expand the use of this tool for district-based financing.
- 2E: Consider changing the I-Cubed application process to make funding for TOD projects available earlier in the development process, and to expand use of the tool to larger districts.

Recommendation #3: Explore the creation of new value capture tools to fund transportation improvements that serve multiple jurisdictions.

In Massachusetts, there is growing interest in using value capture to help fund regional-serving transit projects such as the South Coast Rail, Green Line Extension, or improvements to the Red Line. These types of improvements are generally funded, built, and operated by the Commonwealth and serve multiple different neighborhoods with a wide range of real estate market conditions – and in many cases, multiple cities and towns.

Although precedents for using value capture at this scale exist (including the Dulles Corridor Metrorail Project in Northern Virginia, also known as the Silver Line Extension), examples are limited – in part because value capture tools are generally designed to be implemented within just one jurisdiction, and often within a small district or for an individual development project. Adding to the challenge, lower-income communities with high levels of social need may find it much more difficult than wealthier communities to contribute new local revenues to pay for the cost of transit. Nevertheless, projects with limited value capture potential may still offer significant transportation, economic development, and environmental justice benefits for both local communities and the Commonwealth as a whole.

Given these challenges, the Commonwealth will need to explore innovative new solutions in order to use value capture to fund regional-serving transportation projects. In designing tools for this use, the Commonwealth will need to consider the appropriate source of revenue (for example, tax increment financing districts, local special assessment districts, or a citywide special assessment district or tax); the mechanism for municipal contributions to state projects; the incentives that municipalities will face in deciding whether to participate; and the potential risks and implications for debt financing associated with using value capture tools to contribute to major state projects. The SIFT tool proposed by Representative William Straus in the 2015-16 legislative session provides a good model for addressing these challenges. If this tool were adopted it would expand the ability to use tax increment financing for transportation improvements in Massachusetts. If this proposed legislation were modified to include an ability to capture state taxes – such as a portion of the sales tax – in addition to local revenue, it would provide even greater funding options to support future transportation projects throughout the Commonwealth.

Recommendation #4: Consider specifying modernization as a permitted use for certain value capture tools.

Investing in the repair and modernization of existing transit systems is a high priority for the Commonwealth. Although there are limited examples of value capture tools being used for this purpose across the country, a growing consensus around the importance of reinvesting in Massachusetts' transit and highway systems suggests an opportunity to use value capture tools for this purpose.