



TRANSIT ORIENTED DEVELOPMENT - ECONOMY

News: Indian cities are on the brink of a **transportation revolution**, with a projected expenditure of ₹3 trillion (between 2022–2027) set to be spent on approved metro rail projects.

- These investments will not only enhance **urban mobility but can also unlock vast economic potential**.

What's in the news?

About

- Studies reveal that investment in public transportation can generate **thousands of jobs and deliver economic returns 5-7 times greater** than the initial outlay.
- To leverage investments in mass transit and maximise the economic benefits as well as improve quality of life in cities, the Government of India approved the **National Transit Oriented Development (TOD) Policy and Metro Rail Policy in 2017**.
 - 27 Indian cities are building metro rail systems, and many others are building other forms of rail- and bus-based mass rapid transit systems.

Transit Oriented Development (TOD)

- It means **integrated urban places designed to bring people, activities, buildings, and public space together**, with easy walking and cycling connection between them and **near-excellent transit service to the rest of the city**.
- It means **inclusive access for all** to local and citywide opportunities and resources by the most efficient and healthful combination of mobility modes, at the lowest financial and environmental cost.
- Inclusive TOD is a necessary foundation for long-term sustainability, equity, shared prosperity, and civil peace in cities.

Benefits of TOD:

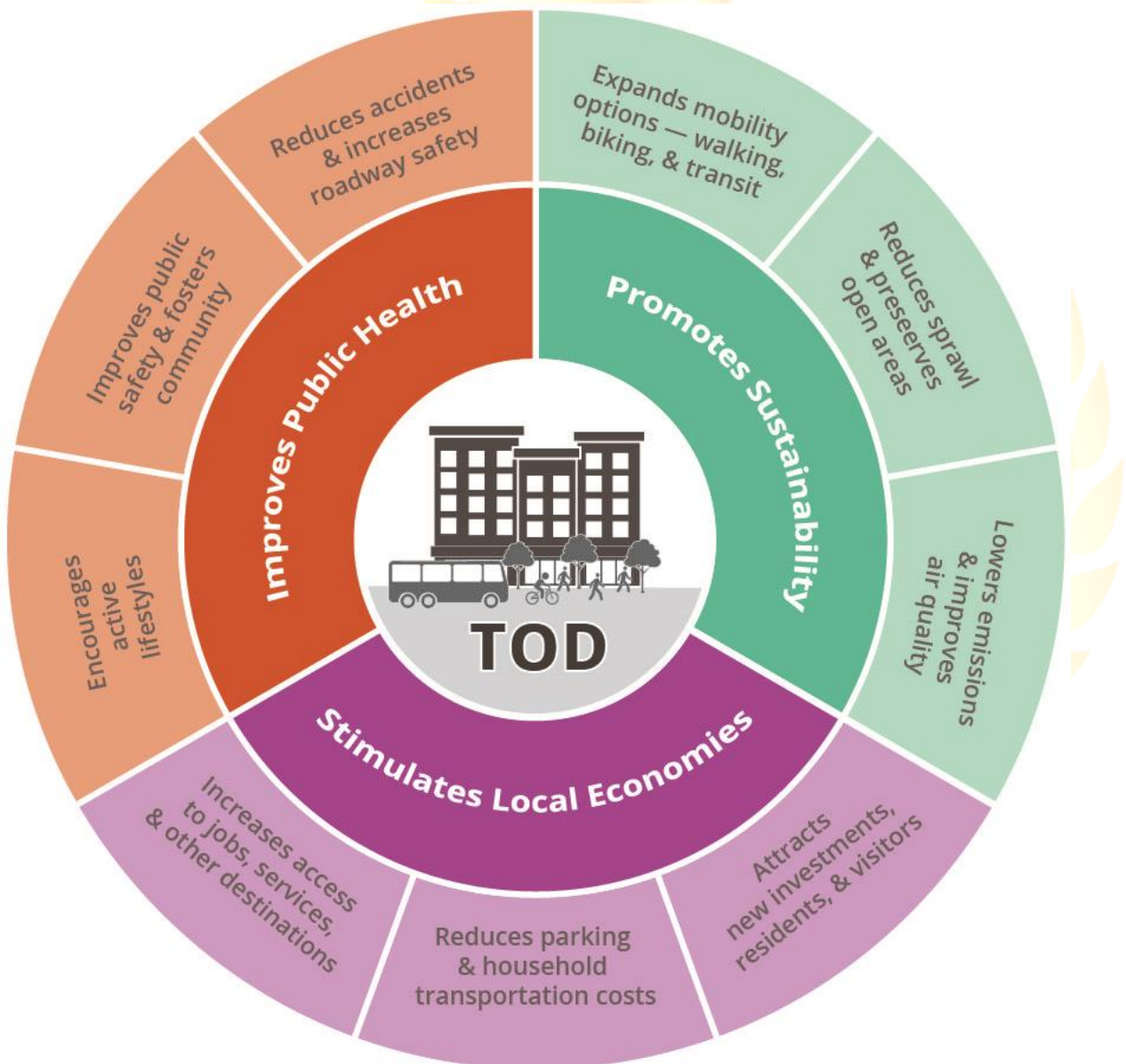
- **Reduced Traffic Congestion:** By encouraging the use of public transit, TOD can help alleviate road congestion.
- **Economic Development:** Increases property values and stimulates local economies through increased foot traffic and business opportunities.
- **Community Connectivity:** Fosters a sense of community by integrating various uses and encouraging social interactions.
- **Healthier Lifestyles:** Promotes active transportation options like walking and biking, which can improve public health outcomes.

Need for TOD

- The **longer work-home commutes**, and the **congestion and pollution** arising from greater private vehicular use, are hampering access to jobs and labour markets, productivity and liveability.



- **Bengaluru**, is among the world's most traffic-congested cities, with the social cost estimated to be 5% of the city's GDP as per 2018 figures.
- **Improving accessibility to jobs**, through safe and efficient transport modes, can significantly **enhance workforce productivity and participation**.
- **Clustering job growth** near transit boosts innovation, productivity, and competitiveness — far more than dispersed job growth.
- It also spurs **local economic and real estate development**, leading to increased revenues for public agencies.





National Transit Oriented Development (TOD) Policy

- Adopted by the Union ministry of housing and urban affairs (MoHUA) in **2017**, the TOD Policy provides for **densification of areas around transit corridors** by allowing **higher built-up area for residential and commercial developments**.
- The idea is to **promote the use of public transport**, encourage walking and cycling, and develop compact walkable communities.
- The **influence zone plan**, which is a detailed plan of the area around a transit station, has to be **prepared by the local authorities**.
- **States** can formulate their own TOD policy since land is a state subject or can adopt the Centre's policy.

Way Ahead

- **High-functioning global cities like Hong-Kong** have **57% of jobs** within 500 m of a transit station, 84% within 1 km, and 96% within 2 km.
 - The city has one of the **highest levels of transit use** and one of the **lowest levels of car ownership**.
 - This has enabled its Gross Value Added per capita **to increase by 50%**, while fuel consumption and carbon emissions per capita **decreased by 10%**.
- Apart from conventional funding sources, the government can explore **public-private partnerships**.
 - The private sector (businesses, developers, financing institutions) can play a significant role in directing commercial and industrial investments, near transit stations.
- Transport infrastructure is a **prime driver of economic activity** and a developing country like India will continue to invest in it.
 - This must encompass the **upgradation of public infrastructure**, and institutionalising coordinated action to shape inclusive, low carbon, compact and connected growth.

Source: <https://www.thehindu.com/news/cities/bangalore/leveraging-transit-oriented-development-to-build-productive-cities/article68675329.ece#:~:text=To%20leverage%20investments%20in%20mass,urban%20planning%20and%20growth%20management>