Innovations in TOD: A National Perspective

NYMTA Sustainability Commission, May 2008

Shelley Poticha, Reconnecting America

Reconnecting America

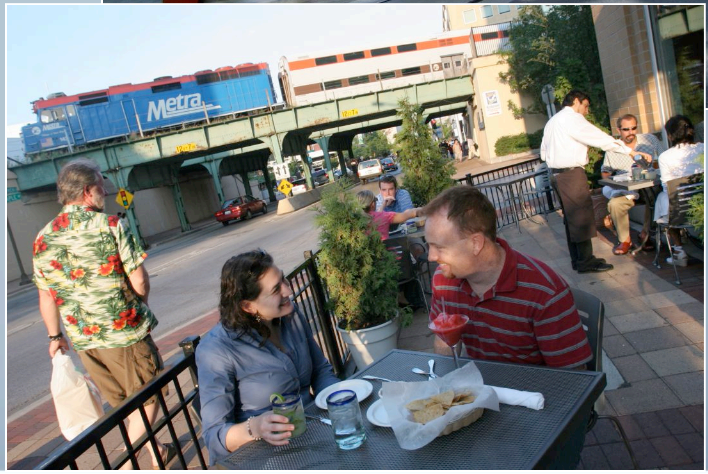
Remaking the Mission of Transit for Communities and the Environment

CTOD

- *Creating a national marketplace for TOD, working with cities, transit agencies, developers, investors + communities*
- *Technical assistance, research, + policy reform*
- *On-line Clearinghouse of TOD + Transit Best Practices*

T4America

- *An alliance of business, housing, environment, development, labor, health, ageing and transportation interests for transportation investments that are economically sound, respond to markets and improve the lives of people*
- *Campaign Focus on the Next Federal Transportation Bill*



Development Linked with Transit Addresses the Challenges of Today's Cities

Public Sector Goals

for Transit + TOD:

- *Place-Making and Revitalization*
- *Healthy and Inclusive Neighborhoods*
- *Expanded Mobility, Shopping and Housing Choices*
- *Regional Connectivity to Jobs*
- *Affordability for Residents*
- *Attractive to Business*
- *Green Jobs: Building and Operating Transit + TOD*
- *Long-lasting response to Climate Change*
- *Travel Security Net for Emergencies*
- *Financial Return and Value Recapture*

*People within **a half-mile radius** are **5 times as likely to walk** to transit than others. Those who live further away are less likely to bother with the train or bus.*

National demand for TOD will more than double by 2030

ALMOST A QUARTER OF RENTERS & BUYERS LIKELY TO WANT TOD HOUSING IN 2030

Top 10 Regions by Potential Demand for TOD Housing

	Existing Stations	Planned Stations	2000 TOD Households	2030 Demand	Percentage Change
New York	955	6	2,876,160	5,371,866	87%
Los Angeles	113	38	261,316	1,708,447	554%
Chicago	401	8	787,204	1,503,638	91%
San Francisco	286	49	409,497	832,418	103%
Philadelphia	370	34	506,058	809,058	60%
Boston	288	7	396,261	750,726	89%
Washington, D.C.	127	11	234,202	688,582	194%
Portland	108	29	72,410	279,891	287%
Miami	60	6	62,595	271,326	333%
Dallas	48	17	46,429	270,676	483%

Changing Demographics are Forcing A New Housing Market

Baby Boomers

Echo Boomers

Non-White Households

- *Singles will soon be the new majority*
- *Old people will outnumber young people by mid-century*
- *By 2010 Echo Boomers will total 34% of the population*
- *Almost half the U.S. population will be non-white by 2050*
- *Demographic groups growing most quickly -- older, non-family, non-white households -- use transit more*

RECONNECTING AMERICA CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

RECONNECTING AMERICA
CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

DEL MAR STATION, PASADENA, CA

EFFECT OF RAIL INVESTMENT ON PROPERTY VALUES

Santa Clara County, CA: Commercial land within quarter mile of commuter rail stations increased 120% ($25/sq.ft.); for light rail, values increased 23% or $4/sq.ft.

Dallas: Residential properties increased 32% in value within a quarter mile of DART stations; for office buildings the increase was 24.7%.

Washington D.C.: Every 1,000 ft. reduction in distance to rail station raises value of commercial property $2.30/sq.ft., or $70,139 on average 30,000 sq.ft. building.

San Diego: Premiums of 46% were found for condominiums and premiums of 17% found for single-family housing near Coaster commuter rail stations. Premiums of 17% found for multi-family housing. For commercial properties 91% premiums.

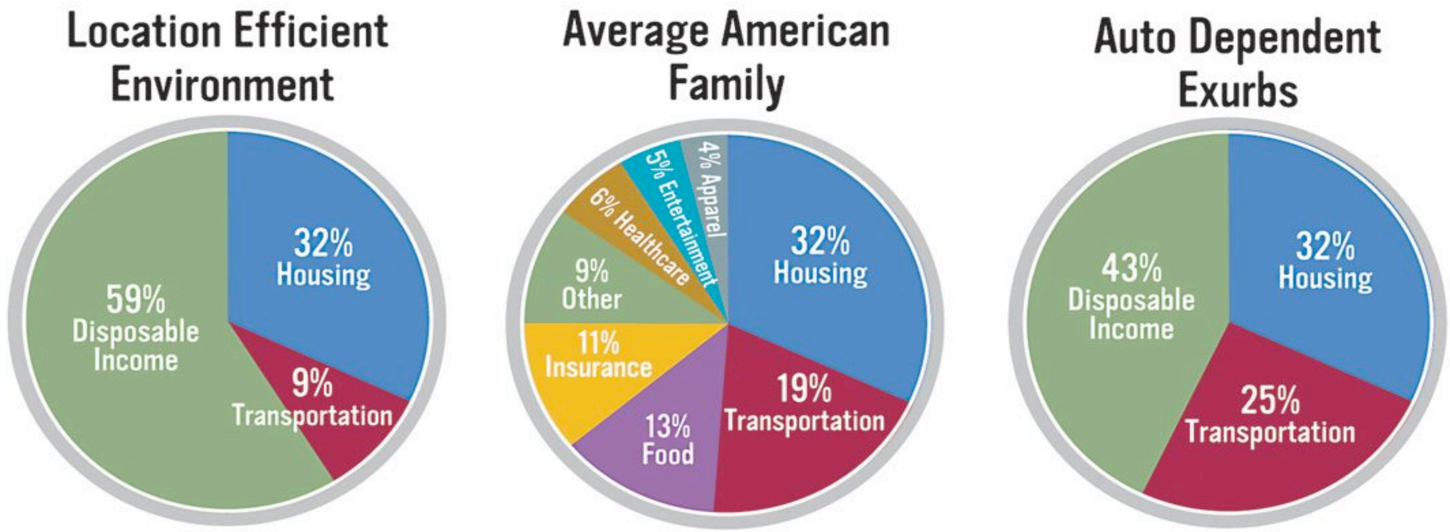
Alameda & Contra Costa Counties, CA: Single family homes in Alameda and Contra Costa counties worth $3,200-$3,700 less for each mile away from BART station.

TOD CREATES VALUE THAT CAN BE CAPTURED

- *Property & sales taxes*
- *Real estate lease & sales revenues*
- *Event fees*
- *Farebox revenues*
- *Parking revenues*
- *Joint development*
- *Tax increment financing*
- *Special assessment districts*
- *Equity participation*
- *Public-private partnerships*

BETHESDA, MD

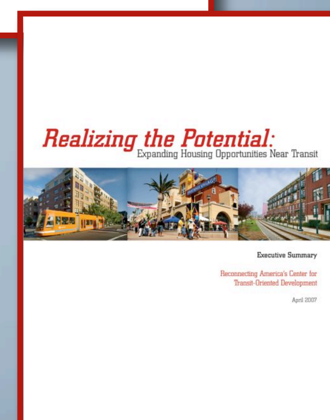
LOCATION MATTERS TO AFFORDABILITY
TRANSPORTATION IS 2ND HIGHEST HH EXPENSE



Source: Center for TOD Housing + Transportation Affordability Index, 2004 Bureau of Labor Statistics

A BETTER MEASURE IS THE COMBINED COST OF HOUSING AND TRANSPORTATION

- *The average HH spends 51% of income on housing & transportation; both costs are increasing.*
- *For every dollar saved on suburban housing families spent an extra 77 cents on transportation to get them there.*
- *While the average HH spends 19% of income* very-low-income HHs *spend 55% or more. This savings can be critical.*



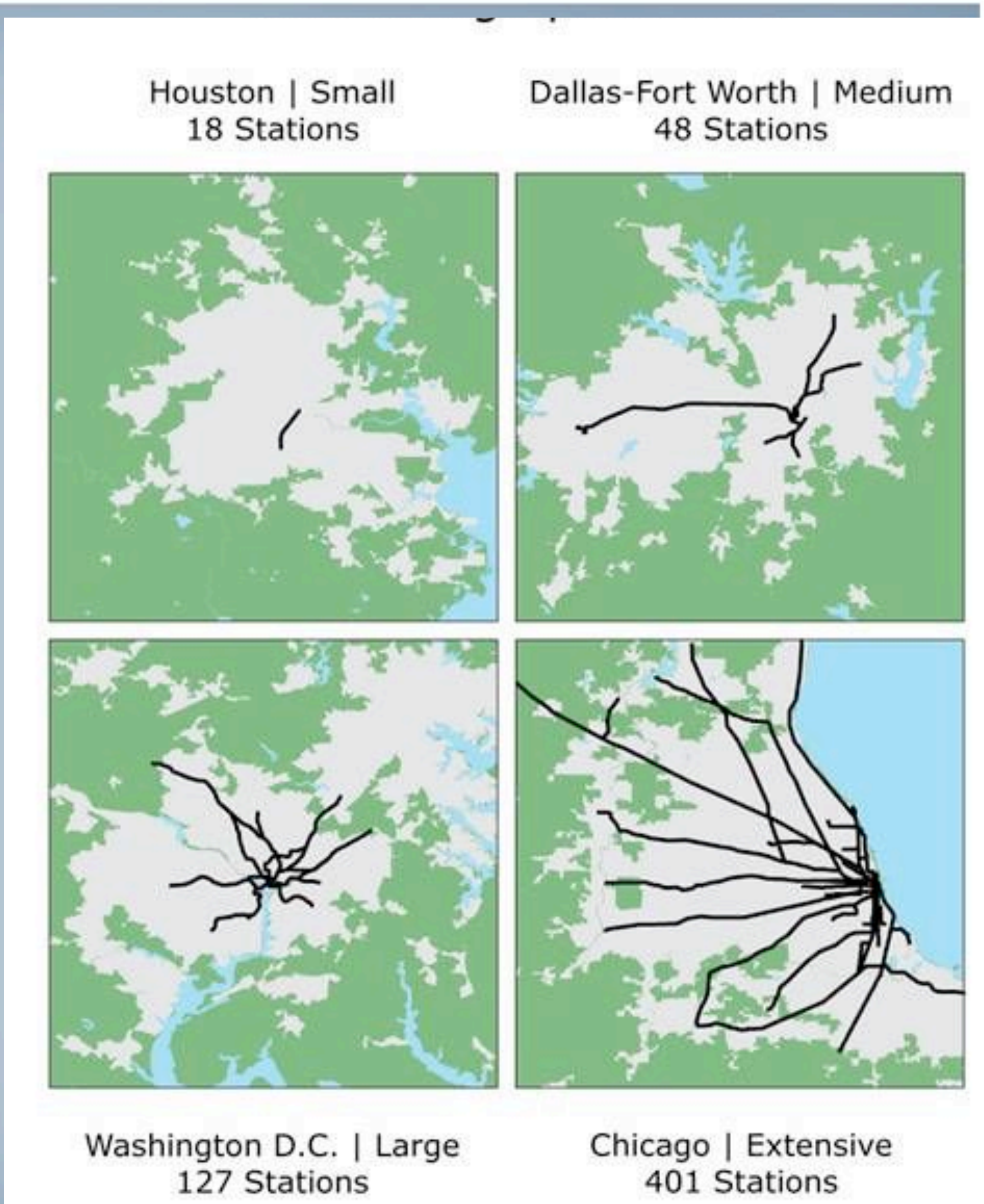
Why is Mixed-Income TOD So Important for Transit?

Portland's Pearl District, where 25% of housing is affordable and prices are recalibrated at each phase of development

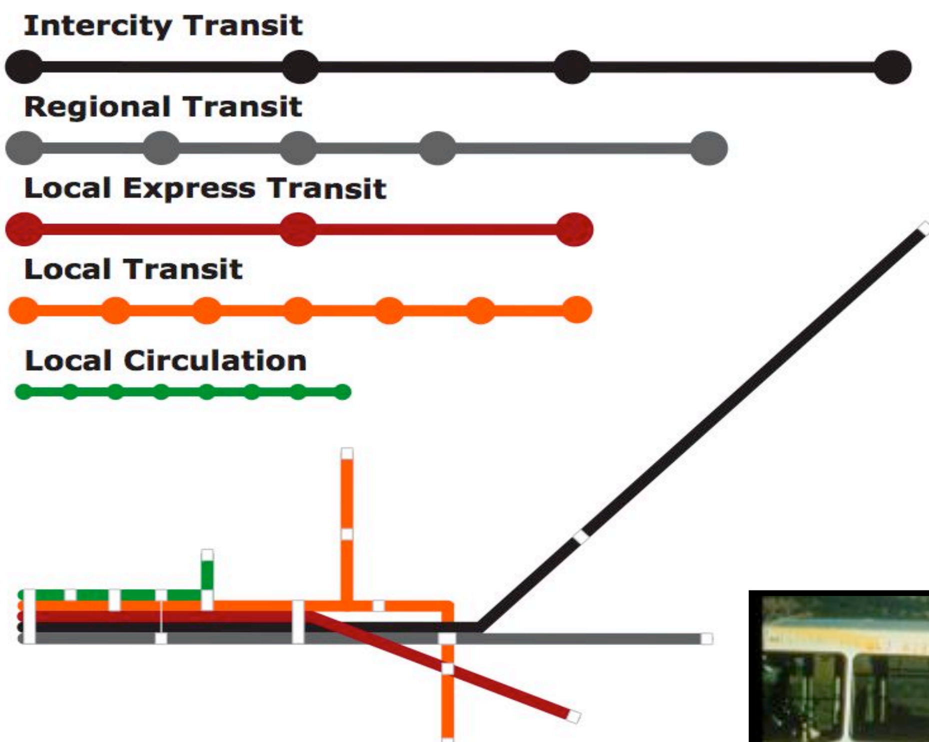
- *TOD provides an affordable lifestyle via low H+T (CTOD/CNT, 2008)*
- *Low and Moderate Income Households should have the opportunity to take advantage of transportation savings*
- *Community Hubs are key to retaining stability and diversity. Transit provides a focal point (UC Berkeley, 2007)*
- *Danger that TOD becomes income segregated: High and Low (UC Berkeley, 2007)*
- *Generates sustainable ridership and sustainable cities (CTOD, 2008, SGA 2008)*
- *We have a shared interest in doing this right*

Transit Network Connectivity Affects TOD Performance

- *TOD Market Grows*
- *More Jobs Connected by Transit*
- *Car Ownership Declines/Less Need for Park-and-Ride*
- *Wider Array of Household Types Seek Housing Near Transit*
- *Higher Walk, Bike and Transit Mode Shares*
- *More Mid-Day Transit Trips*
- *Lower Transportation-Based Emissions*
- *Higher Value Creation/Capture Opportunities*

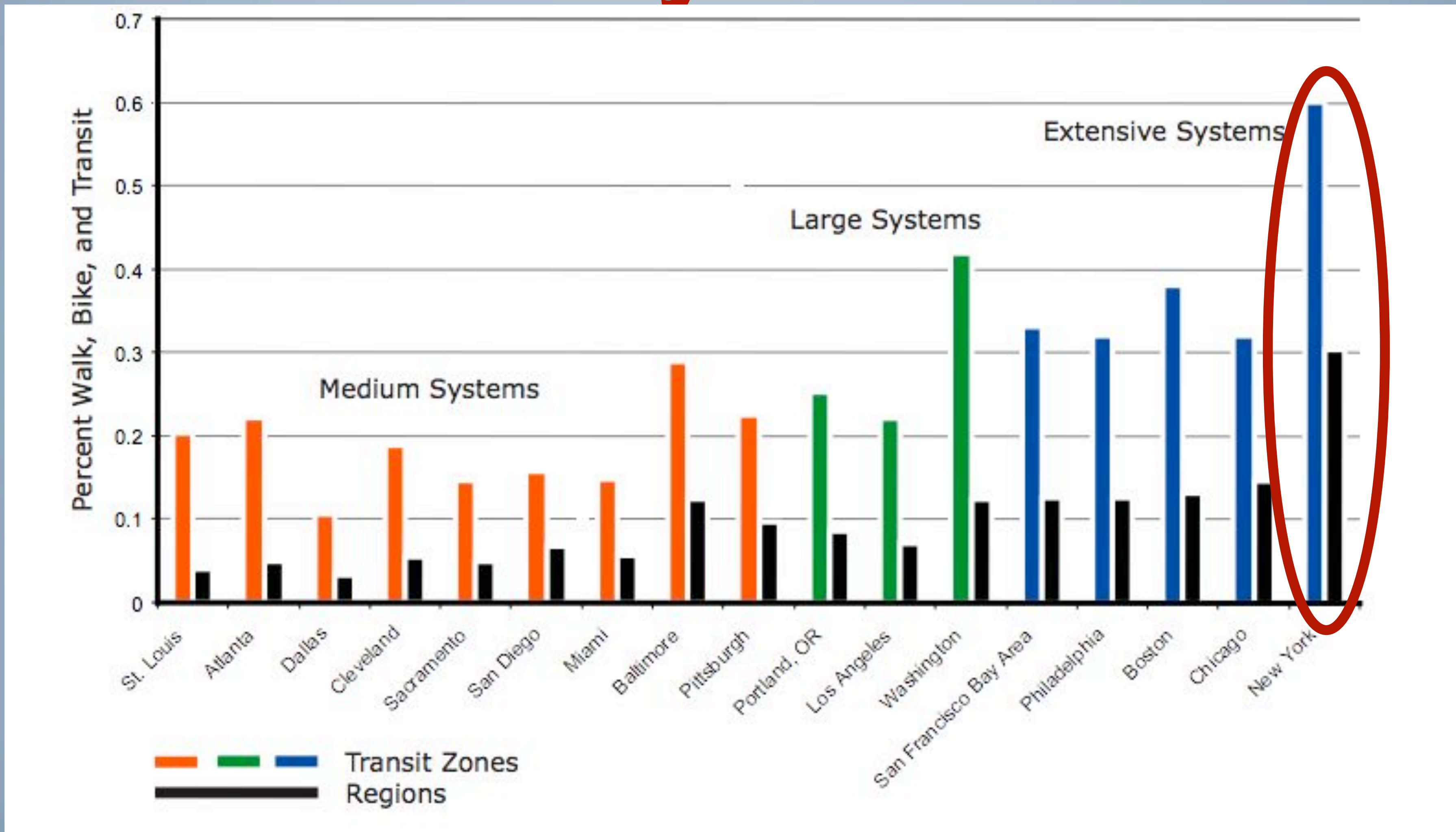


TOD Works Best with Layered Transportation Networks



RECONNECTING AMERICA CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

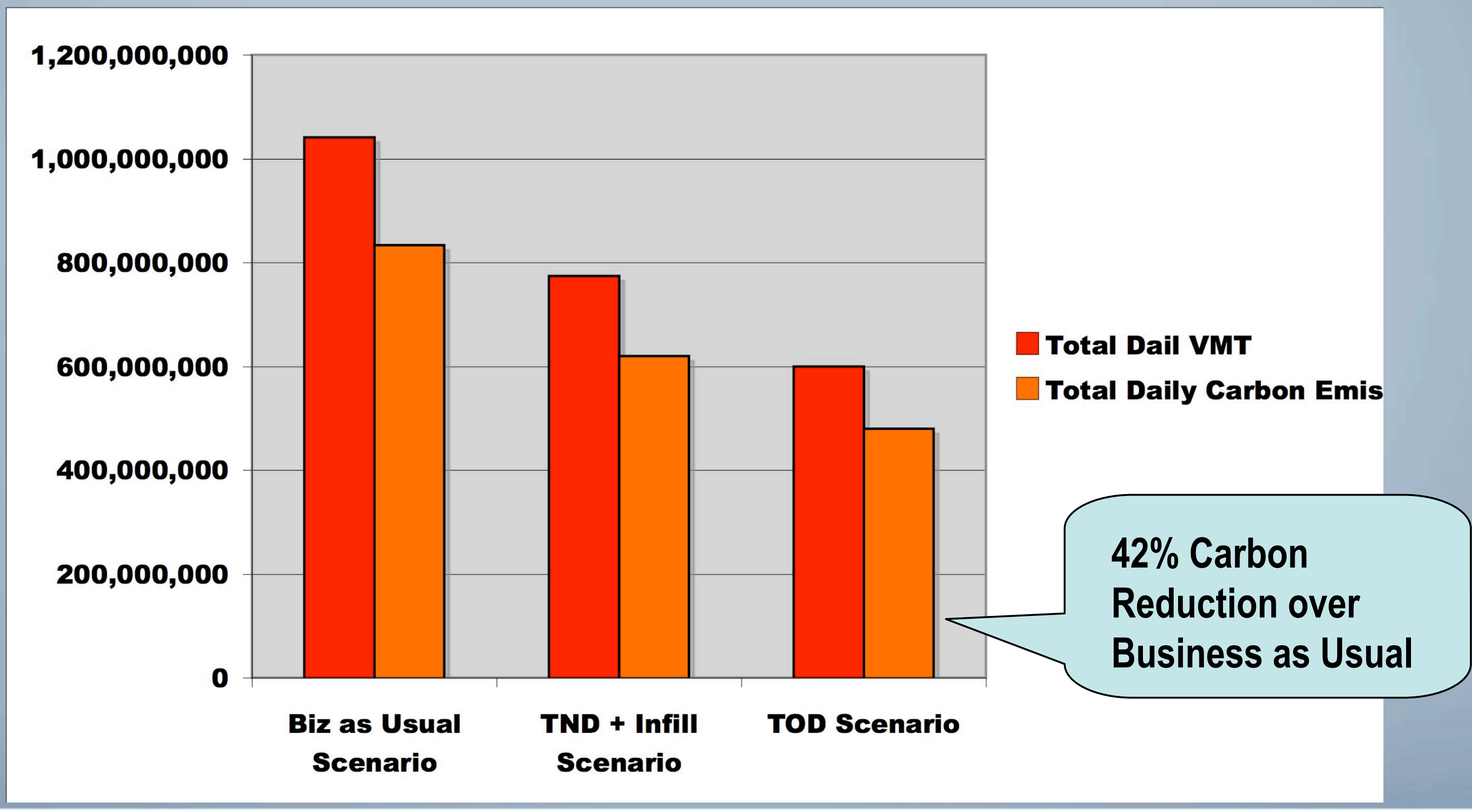
TOD Behaves Differently, but Connectivity Also Matters



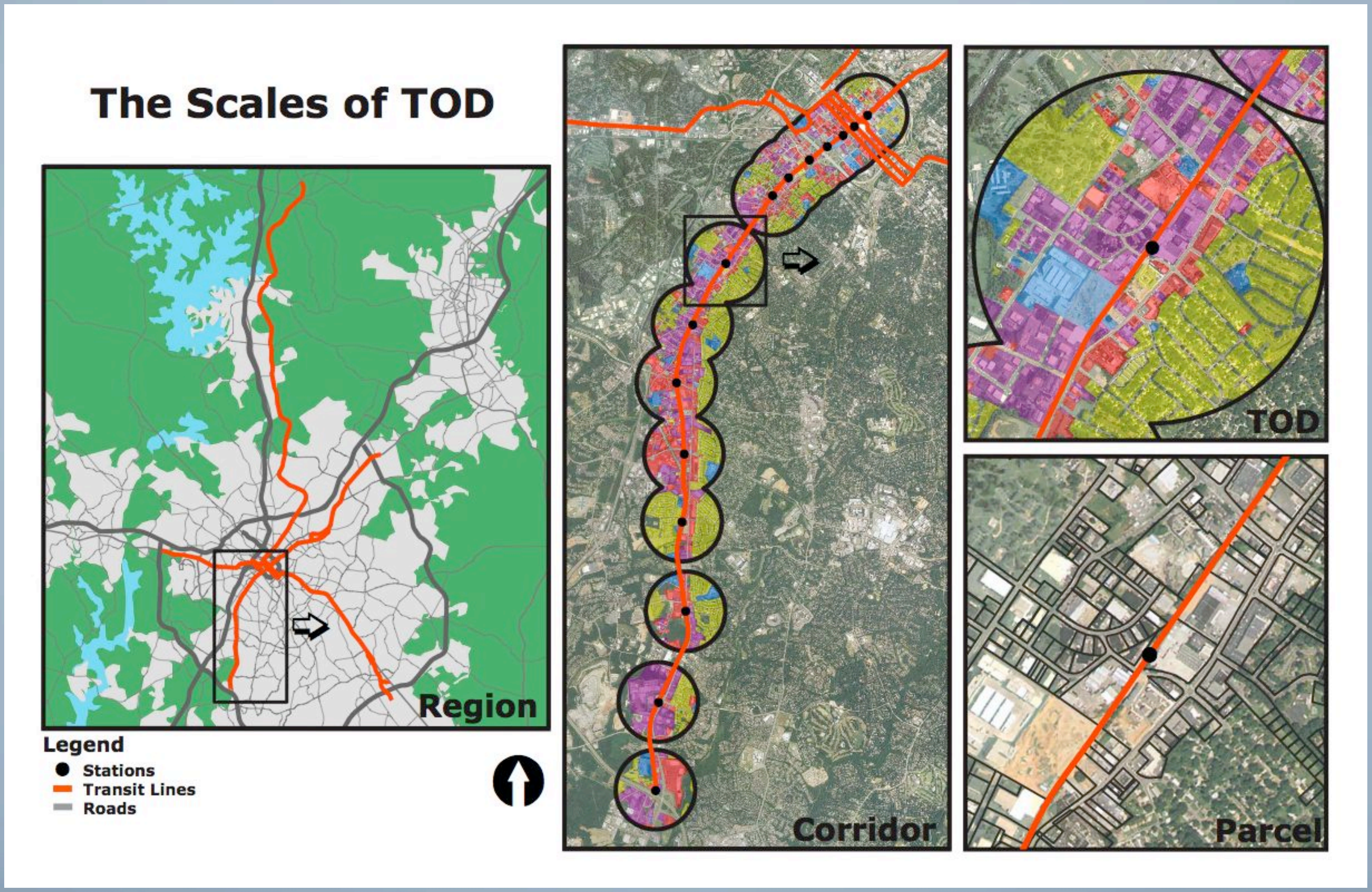
RECONNECTING AMERICA CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

How We Grow Determines If We Can Meet the Carbon Challenge

Housing the Next 100 Million Americans



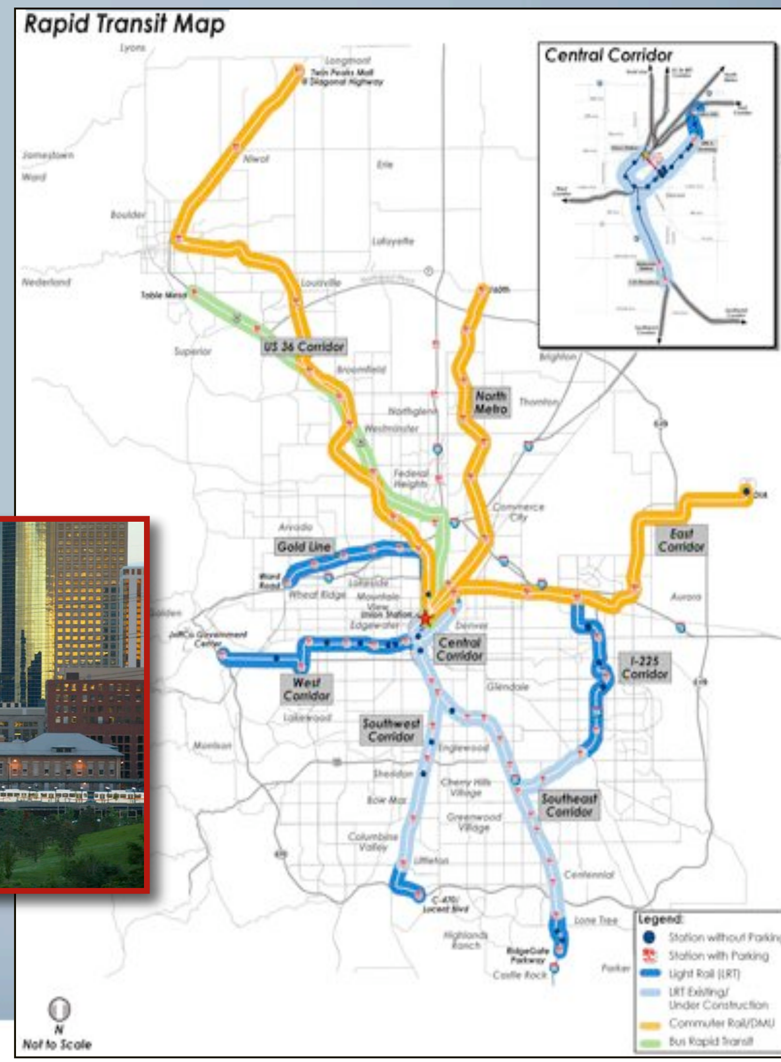
Innovation by Scale

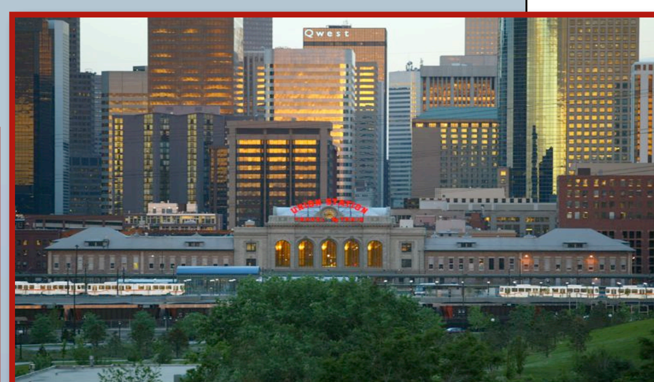


Regional Innovation

Denver: Building a New System

- *Denver's FasTraks sales tax measure generates $4.7B for Transit.*
- *5 new transit lines to be built in 15 years.*
- *Most cost effective way of generating riders: TOD.*





RECONNECTING AMERICA CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

Taking A Big Leap: Regions Building New Systems

- *Denver – 5 new LRT, BRT, Commuter Rail lines in 15 years + Streetcars*
- *Houston – 6 new light rail lines in 10 years*
- *Salt Lake – Adding 4 lines w/minimal federal funding*
- *Portland - Already a large system, now creating a robust local streetcar network*
- *Atlanta – Belt Line, Peachtree Streetcar, commuter rail + aggressive TOD strategy*
- *Minneapolis – Exploring feasibility of rebuilding historic streetcar network, linked to new regional system*
- *Los Angeles – Very bold regional strategy of BRT and LRT*
- *80 cities in the Streetcar Coalition*

SF Bay Area MTC: Carrots and Sticks

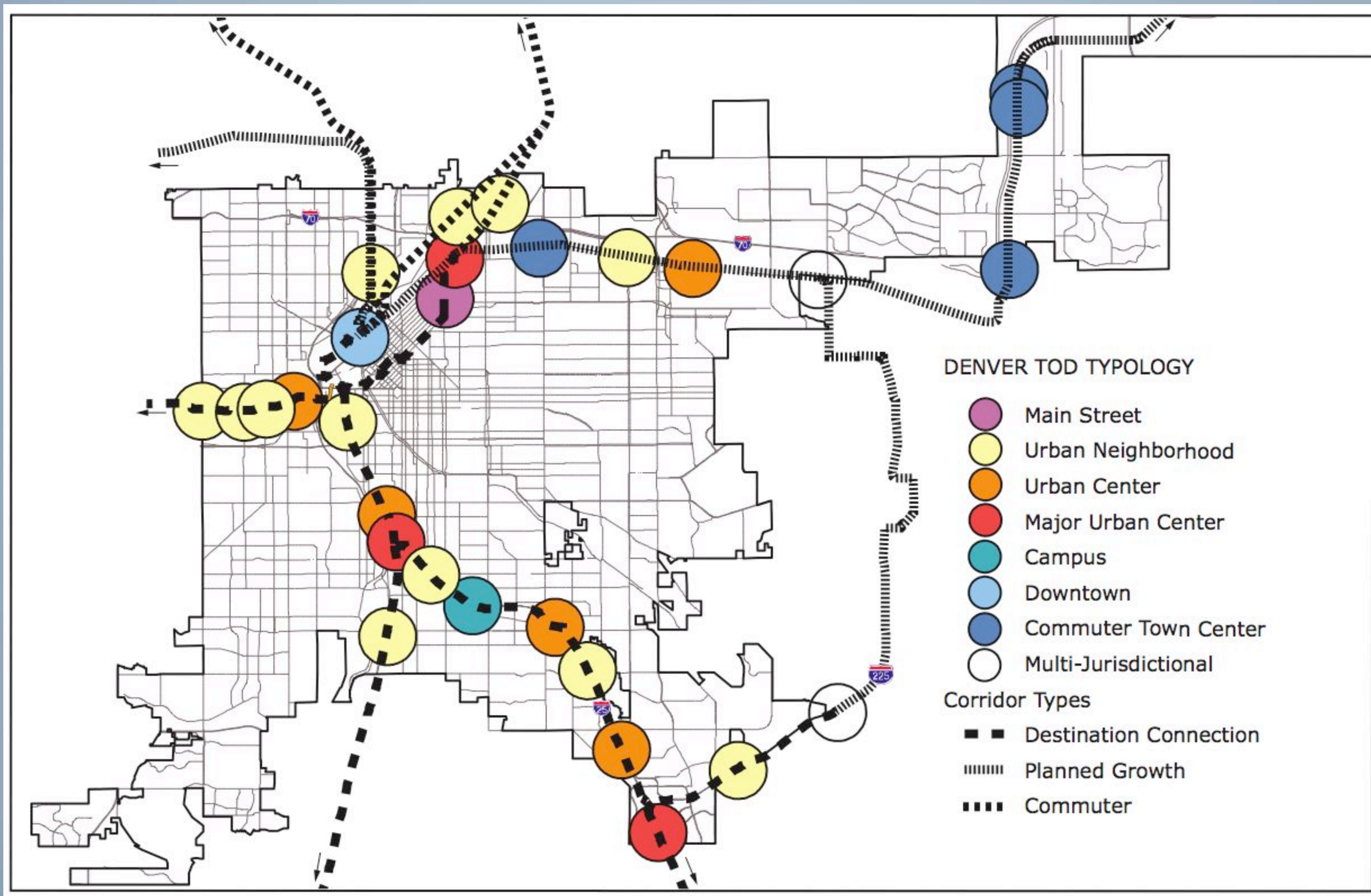
- *TOD Policy – Conditions the allocation of new transit capital funds on local jurisdictions planning and zoning for TOD*
- *Station Area Planning Grant Program – $50k to $750K grants available for TOD plans*
- *Transit for Livable Communities (TLC) – Current $27M/year fund for TOD infrastructure now to grow to $60M/year and include direct project grants.*

Regional Innovation

Denver: TOD Place Types + Strategic Plan

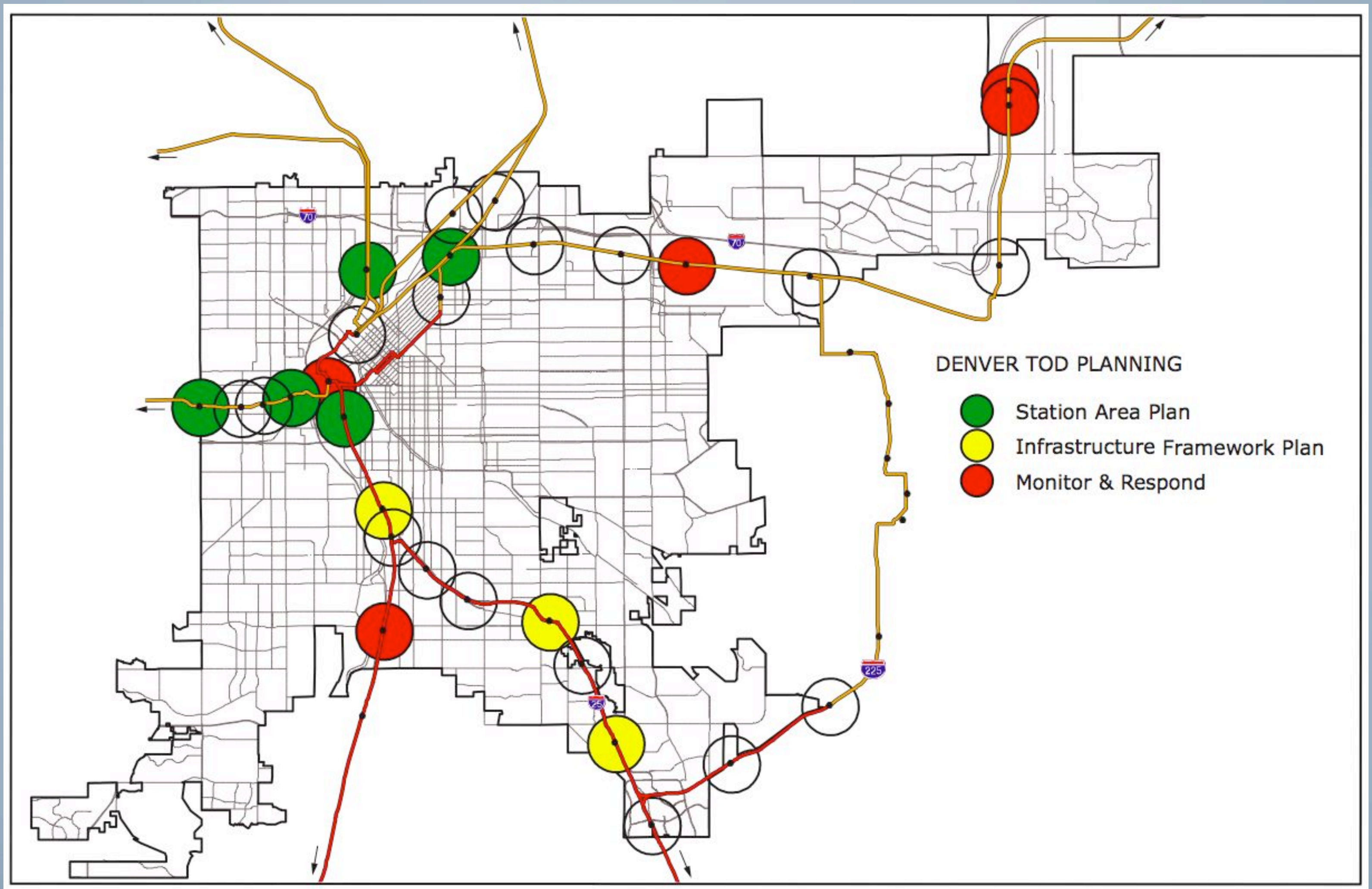
TOD Typology	Desired Land Use Mix	Desired Housing Types	Commercial Employment Types	Proposed Scale	Transit Connectivity	Color Code	Examples
Regional Center	Office Residential Retail Entertainment Civic Uses	Multi-Family and Loft	Prime Office and Shopping	5 Stories and above	Intermodal Facility/ transit hub. Major Regional Destination with quality feeder connections		
Urban Center	Office Retail Residential Entertainment	Multi-Family/Loft/ Townhome	Employment Emphasis, with more than 250,000 sf office and 50,000 sf retail	5 Stories and above	Sub-Regional Destination. Some Park n Ride. Linked district circulator and feeder transit service		
Suburban Center	Residential Retail Office	Multi-Family/ Townhome	Limited Office. Less than 250,000 sf office. More than 50,000 sf retail	3 Stories and above	Sub-Regional Destination. Some Park n Ride. Linked district circulator and feeder transit service		
Neighborhood	Residential Neighborhood Retail	Multi-Family/ Townhome/Small Lot Single Family	Local-Serving Retail. No more than 50,000 sf	2-5 Stories	Walk up station. Very Small Park and Ride, if any. Local and express bus service.		
Main Street	Residential Neighborhood Retail	Small Lot Single Family	Main Street Retail Infill	2-4 Stories	Bus or streetcar corridors. Feeder transit service. Walk up stops. No parking.		
Campus/ Special Events Center	University/Campus Sports Facilities	Limited Multi-Family	Limited Office/Retail	varies	Large Commuter Destination.		

Denver TOD Place + Corridor Typology



RECONNECTING AMERICA CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

TOD Strategic Plan Activities



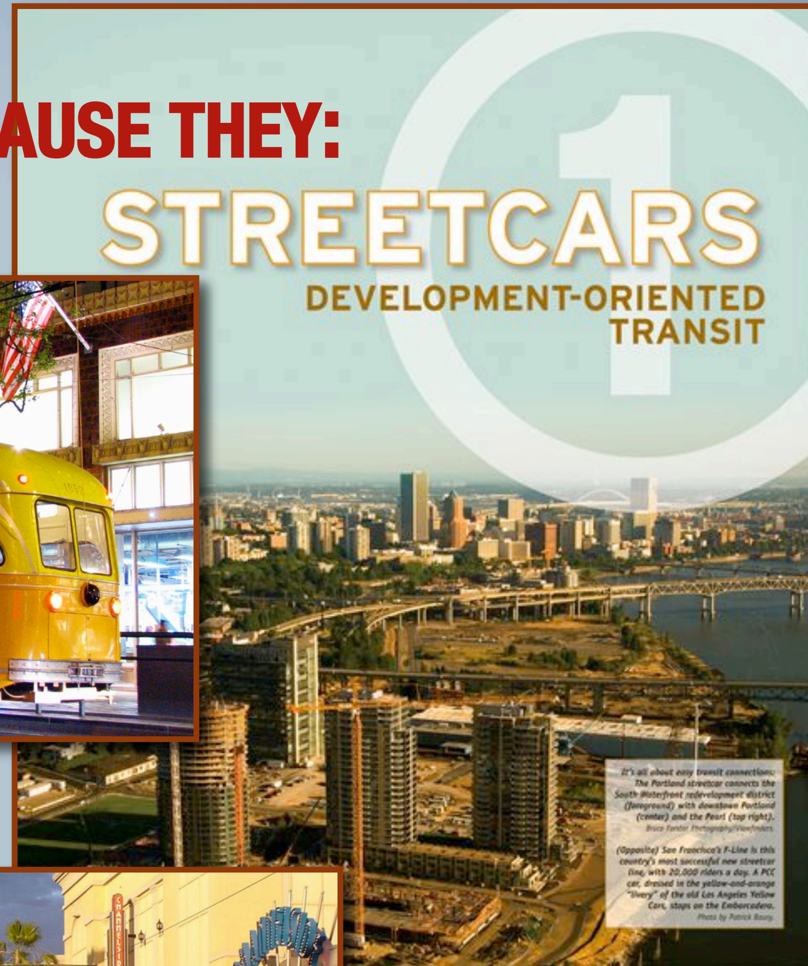
Benefits of a TOD Strategic Plan

- *TOD Typology Provides a Framework for Incremental Decisions*
- *Deep Planning (Station Area Plans) Reserved for Significant Sites and Highly Challenged Sites*
- *Infrastructure Framework Plans Assume the Private Sector Will Lead*
- *Resolves Community Concerns well in advance of development*
- *Establishes Protocols for Interagency/Dept Coordination*
- *Opportunity to Direct Existing $$ Resources for Greater Impact*
- *Focuses on PRACTICALITY!*

City Innovation

WHY STREETCARS? BECAUSE THEY:

- *serve renaissance in downtowns*
- *relatively inexpensive*
- *focus and shape development*
- *enable higher densities, lower parking ratios*
- *make development more profitable*
- *easily integrated into built environments*
- *are faster to build*
- *boost transit ridership*
- *promote walkability and vibrant streetlife*



STREETCARS ARE DEVELOPMENT ORIENTED TRANSIT:

TABLE 1: *Private Returns on the Public Investment*

	Start of Service	Initial Track Miles	Initial System Cost Per Track Mile	Initial System Cost	Development Investment	Return on Investment
Kenosha	2000	2.0	3.10	6.20	150	2319.35%
Little Rock	2004	2.5	7.84	19.60	200	920.41%
Tampa	2003	2.4	20.13	48.30	1000	1970.39%
Portland (1)	2001	4.8	11.50	55.20	1046	1794.93%
Portland (Ext.)	2005	1.2	14.83	17.80	1353	7501.12%

Source: Reconnecting America

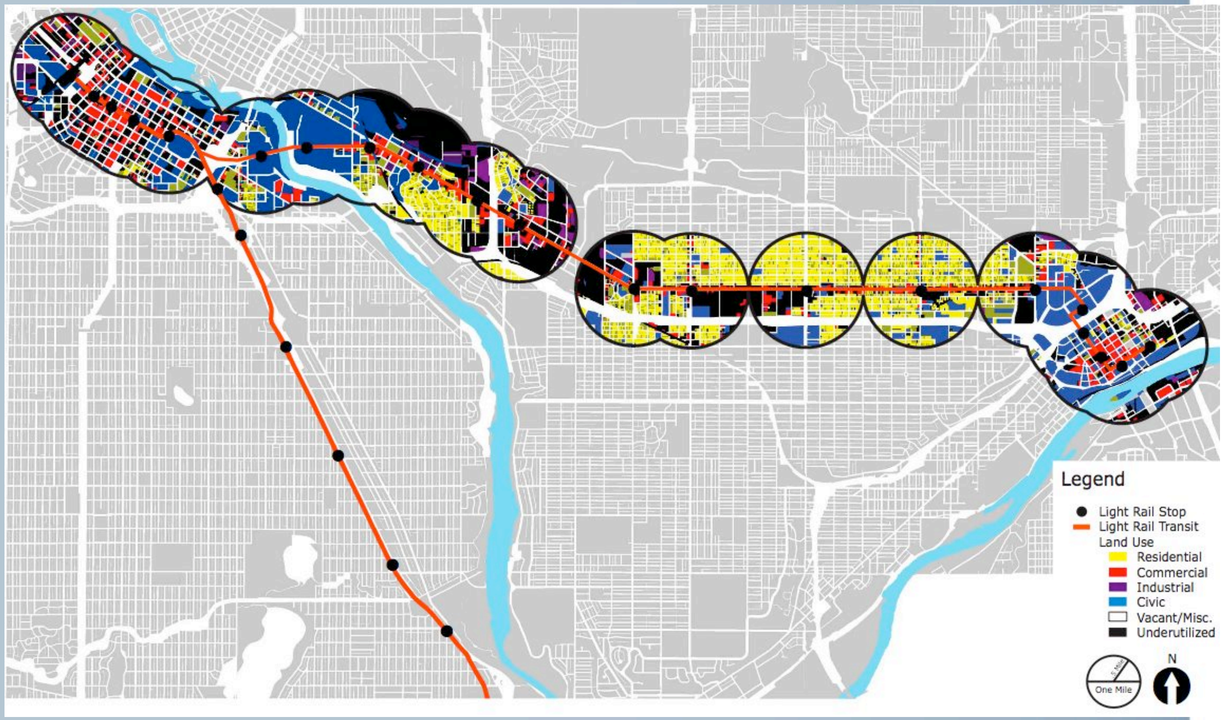
- ***Permanence of fixed guideway helps mitigate risk***
- ***High densities, low parking ratios increase profit***
- ***Value can be captured to pay for transit***

RECONNECTING AMERICA
CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

Corridor Innovations:

Twin Cities: Corridor TOD Implementation Plan

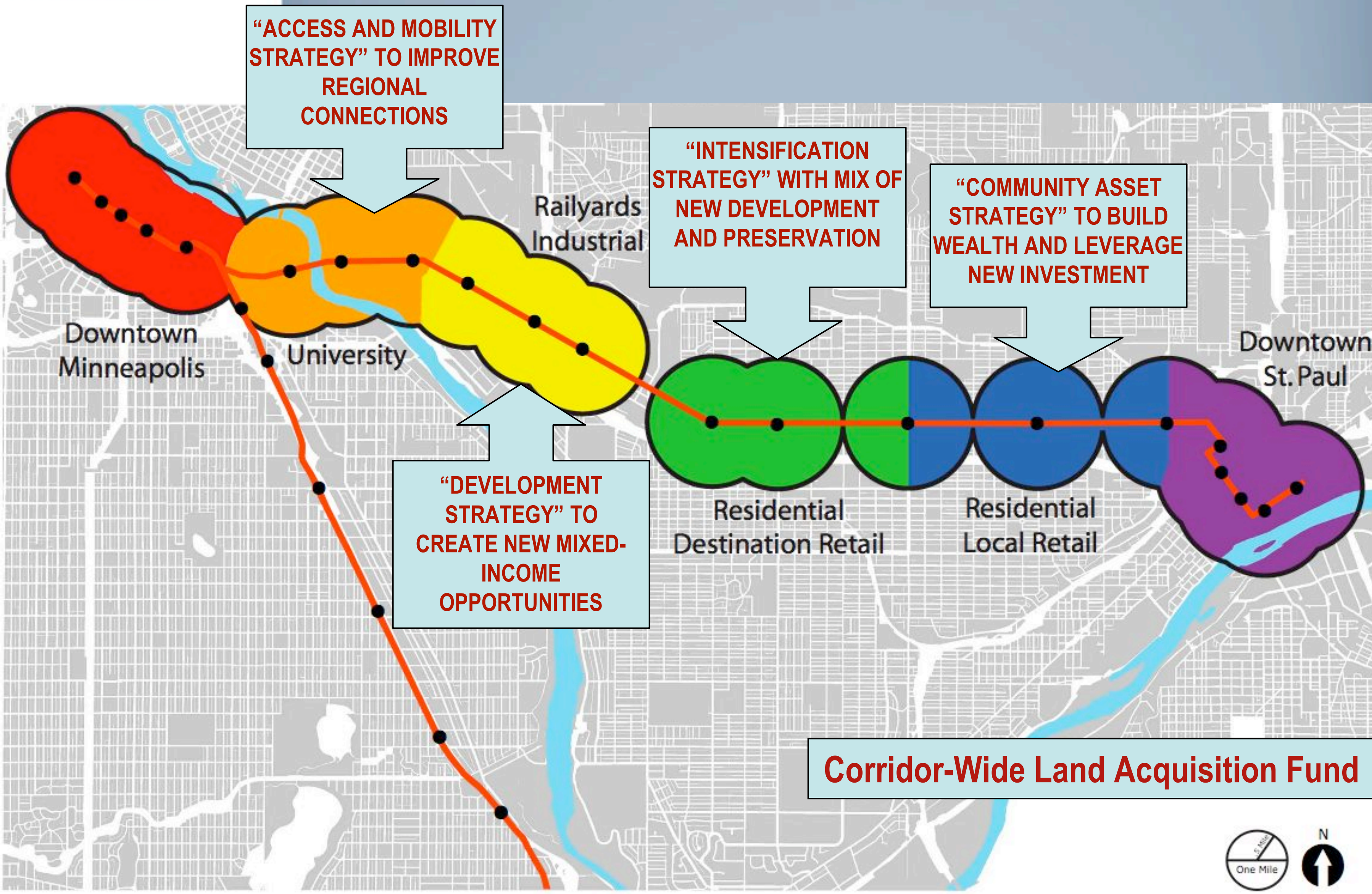
- *Corridor Plans/Market Analysis*
- *Value Capture Tools*
- *Land Acquisition Funds*
- *Mixed Income Housing Strategies*
- *Corridor TOD Development Authority*
- *Master Developer Agreements*



The Central Corridor LRT will link Downtown Minneapolis with Downtown St. Paul. The corridor contains Major Employers, the University, new immigrant business districts and established neighborhoods.

RECONNECTING AMERICA
CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

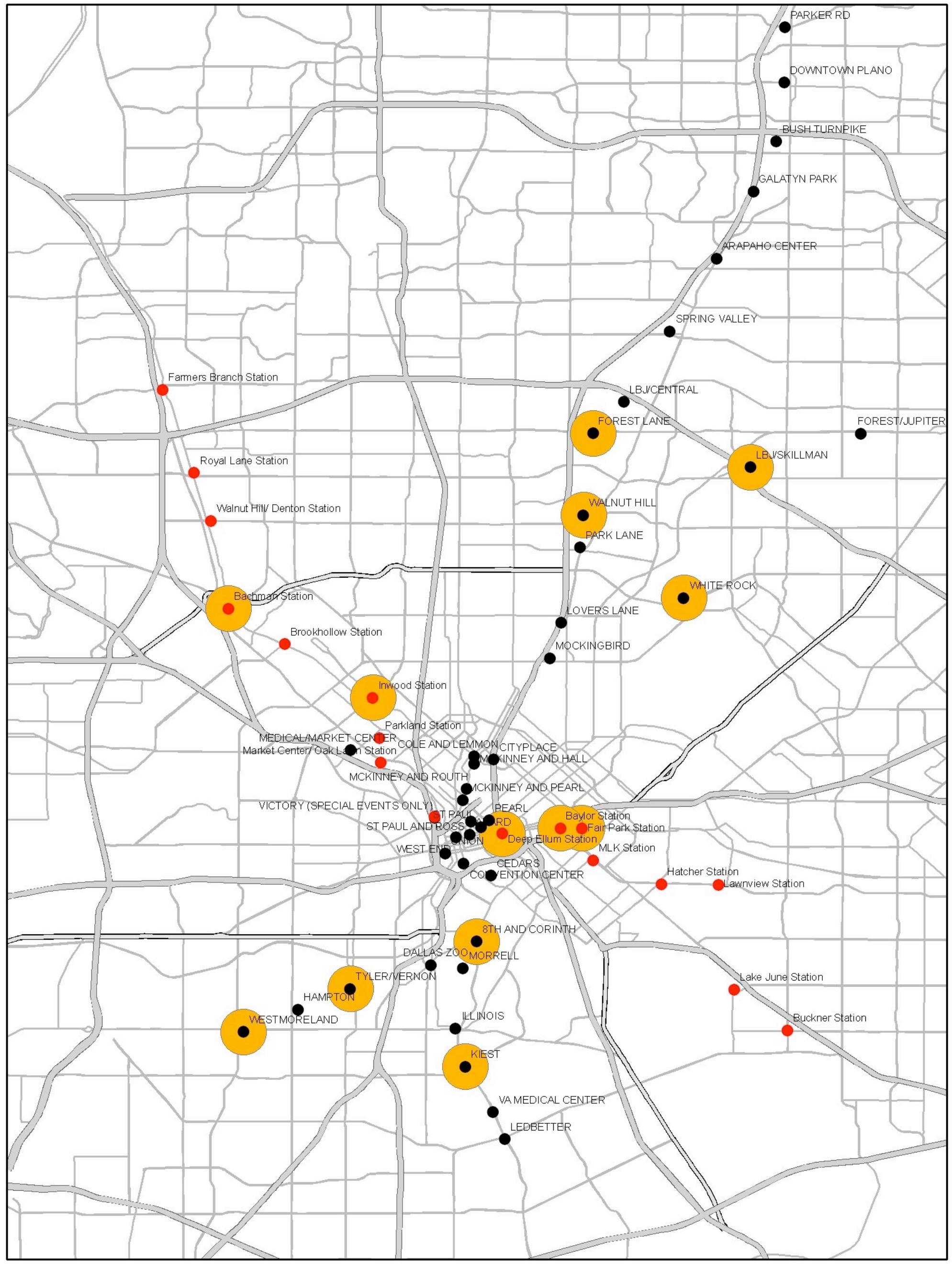
Twin Cities: Corridor TOD Implementation Plan



Corridor Innovations:

Dallas: Master Developer Agreements

- *Exclusive Development Agreement for Station Area Land Assembly, Entitlements and Development*
- *Revenue Sharing from TOD goes to Transit, Affordable Housing, Parks*



RECONNECTING AMERICA CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

Station Area Innovations:

BART: TOD Policy

- *Access Typology for Stations (prioritizes preferred access mix to define TOD program mix)*
- *Flexible Parking Replacement Policy*
- *Clear Agency Goals for TOD (apart from City goals)*
- *Strong Community Engagement*

Two types of opportunities:

Transit-Oriented DISTRICT

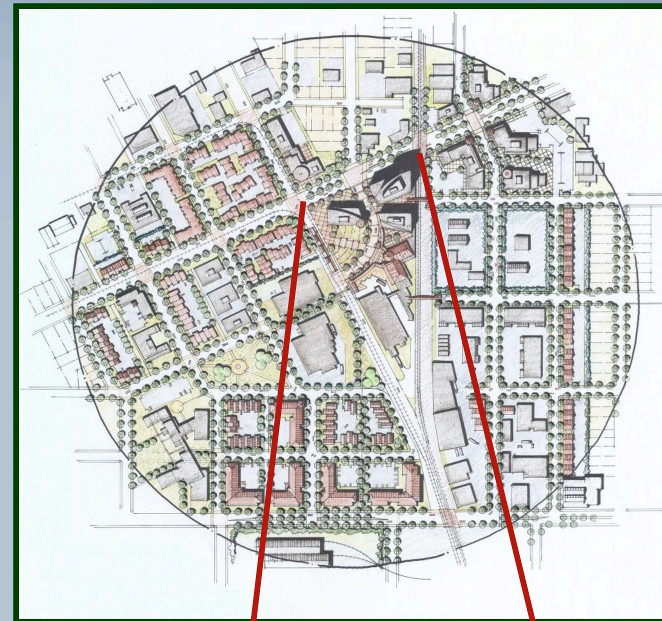
–Area w/in a 5 minute walk

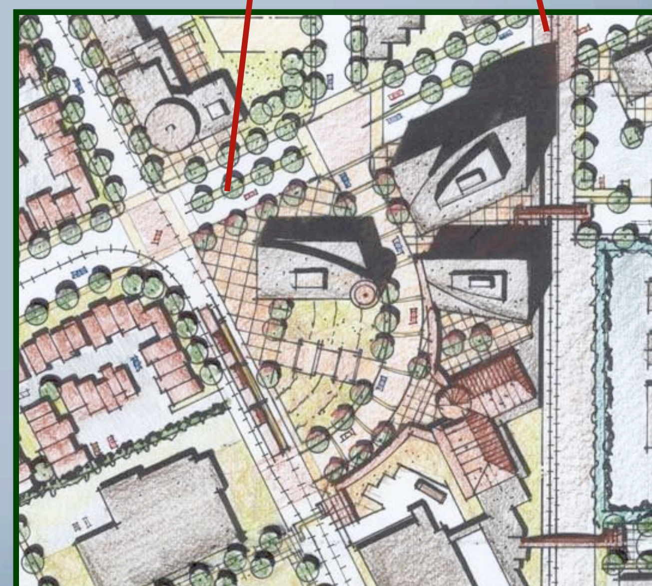
–Transit Villages / Town Centers/ urban infill / greenfield

Joint Development

–On publicly owned land

–Next to the station





Station Area Innovations:

BART: Parking Replacement Policy

Station Area Innovations:

Station Area Public-Private Partnerships (Beyond Jt. Dev.)

RECONNECTING AMERICA
CENTER FOR TRANSIT-ORIENTED DEVELOPMENT

MACARTHUR STATION TRANSIT VILLAGE, OAKLAND, CA

- *BART Stations*
- *L.A. Metro*
- *Sacramento, RTD*
- *Salt Lake City, UTA*
- *Portland, OR*
- *WAMATA*
- *Denver*
- *Phoenix*
- *Dallas*
- *Atlanta*
- *Raliegh-Durham*
- *Charlotte*

Lessons Learned

- *Know what you want to achieve - Set the Vision*
- *Match the tools to scale and context*
- *Be Proactive, not reactive*
- *Zoning/Regulation aren't sufficient*
- *Partnerships!*

WHAT CAN WE DO TO CREATE LASTING CHANGE?

GET SERIOUS ABOUT LINKING URBANISM WITH HIGH QUALITY TRANSIT