TRANSIT: WHAT’S IN IT FOR ME?
WHAT VALUE CAN TRANSIT ADD IN THE ST. LOUIS REGION

Citizens for Modern Transit
Economics of Building
Around Light Rail

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When People Talk about Transit and TOD, This Is What They Often Promise:

Money for Everybody!
Or, Lots of Hip Young Workers Filling Urban Jobs Who Want Urban Lifestyles
But the Problem With These Promises Is That They May Not Fit For St. Louis
Transit Creates Diverse Benefits at the Regional Scale

<table>
<thead>
<tr>
<th>Benefit</th>
<th>Primary Beneficiary</th>
<th>Geography of Benefit</th>
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</thead>
<tbody>
<tr>
<td>1. Transit user benefits</td>
<td>Transit riders</td>
<td>Local/regional (more in transit areas)</td>
</tr>
<tr>
<td>2. Congestion reduction</td>
<td>Drivers/everyone</td>
<td>Local/regional</td>
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<tr>
<td>3. Facility cost savings</td>
<td>Government/taxpayers, developers</td>
<td>Local/regional</td>
</tr>
<tr>
<td>4. Consumer savings</td>
<td>Transit riders</td>
<td>Local/regional (more in transit areas)</td>
</tr>
<tr>
<td>5. Transport diversity</td>
<td>Transit riders</td>
<td>Local/regional (more in transit areas)</td>
</tr>
<tr>
<td>6. Road safety</td>
<td>Everyone</td>
<td>Local/regional</td>
</tr>
<tr>
<td>7. Environmental quality</td>
<td>Everyone</td>
<td>Local/regional</td>
</tr>
<tr>
<td>8. Efficient land use</td>
<td>Everyone</td>
<td>Local/regional</td>
</tr>
<tr>
<td>9. Economic development</td>
<td>Employers/Property Owners</td>
<td>Transit areas</td>
</tr>
<tr>
<td>10. Community cohesion</td>
<td>Everyone</td>
<td>Transit areas</td>
</tr>
<tr>
<td>11. Public health</td>
<td>Transit riders</td>
<td>Transit areas</td>
</tr>
</tbody>
</table>
TOD i.e., integrating land use with transit, is the most efficient way to deliver the benefits from transit

- Produces exponential return on transit investment
- Creates price premiums for housing/office space
- Saves local government money
- One size does NOT fit all
So, How Can Transit Help This Region Address its Challenges
This is a slow growing region

- Population is growing more quickly than employment
- Population growth is sprawling away from the region’s core

Source: St. Louis Region Geography, Economy, Politics, & People. East-West Gateway COG. May, 2011
Local Governments are in Fiscal Crisis

“A significant number of municipalities have experienced declining sales and/or property tax revenues, particularly when these revenues are adjusted for inflation. A significant number of municipalities faced budget deficits, lay-offs and service cuts between 2000 and 2007, even though that was a period of time when the economy had generally fared well. In a survey of municipal officials, many indicated they had serious concerns about the long-term fiscal sustainability of their cities.”

Source: An Assessment of the Effectiveness and Fiscal Impact of the Use of Development Incentives in the St. Louis Region

East-West Gateway Council of Governments, January 22011
An Increasing Proportion of Your Population Has or Will Have Special Mobility Needs

Source: St. Louis Region Geography, Economy, Politics, &People. East-West Gateway COG. May, 2011
How Can Transit and TOD Help Be Part of the Solution?
Transit Supports the Region’s Historic Urban Core Where There is a Greater Concentration of People and Activity
Transit Supports Employment Agglomeration

- Doubling employment density improves productivity by about 6%.
- Doubling of population density also improves productivity by about 6%.
- Doubling employment density in urban areas increases patent activity by 20%.

Transit Serves as an Armature for New Housing Growth

![Bar chart showing the share of land area and new housing growth within different transit system categories.]

Source: Center for TOD, paper to be released 2013
Compact Development Helps Municipal Budgets

Per Acre Infrastructure Costs for Single-Family Units by Location

Source: Strategic Economics, Calthorpe Associates
Transit Supports Walkable Places, That Then Attract Better Retail Sales

A tale of two book stores:

- Bethesda store anchors a walkable downtown shopping area. Rockville store is in a strip mall.
- The Bethesda store earned 15% more than Rockville in one year and made 20% more per sq. ft.
- People stay longer, spend more and are more likely to hang out in Bethesda.

Source: Smart Growth America
Transit helps save HHs money

Portland’s transportation policies save its residents $2.6 billion that can be invested in the local economy.

Locating Jobs Near Transit Has A Significant Impact on Job Access for Low-Income Households

http://www.cts.umn.edu/Publications/catalyst/2012/july/transitways/
Transit Provides Mobility for Seniors

- A 2008 AARP poll found that 44% of elderly say that they do not have enough access to public transportation.
- 54% said that they would walk, bicycle and take transit more if their streets were improved.
- In 2000, 71% of elderly polled indicated transit access was a priority.

Source: AARP
Then How Do We Get From Here to There
Coordinate Regional and Local Investments
The U.S. 101 Loop Road Was Completed Just Ten Years Ago, As Phoenix Was Planning a New LRT System.
The Region’s Perimeter Now Includes Triple the Number of Jobs in the Downtown

- **101 Loop Employment Clusters**: 153,260 jobs
- **Downtown Phoenix**: 49,000 jobs
Twin Cities Metro Area: Subsidized Business Relocations (Mostly TIF), 1999-2003

Legend

- Business Relocations Towards Central City (17)
- Business Relocations Away From Central City (69)

Source: Good Jobs First
Twin Cities Metro: Subsidized Business Relocations’ Impact on Job Access via Transit

Legend
- Moved from within 1/4 mile of transit stop to further than 1/4 mile from transit stop (27)
- Remained further than 1/4 mile from transit stop (33)
- Remained within 1/4 mile of transit stop (24)
- Moved from further than 1/4 mile of transit stop to within 1/4 mile from transit stop (2)

Source: Good Jobs First
Local Governments Also Have to Put Incentives in Place, But Not All of these are “High Cost”
Why you can’t afford not to be aggressive about transit and TOD:

Many of the regions with whom you’re competing for businesses and workers are getting aggressive about transit and TOD.

Source: Reconnecting America Transit Space Race
And, Major Market Trends Are Driving Demand for Development in Urban Neighborhoods Near Transit

Almost ½ of All Households are Single People

76 Million Baby Boomers

75-80 Million Millennials

Projected Employment Growth in Knowledge based Sectors

Source: Strategic Economics
Transit and TOD Can Work For You, But You Have To:

- Work Together
- Invest Wisely
- Capitalize on Your Assets
- Think About the Future, Not the Past!