Taking Advantage of Transit and Transit Oriented Development

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Reconnecting America’s Center for Transit-Oriented Development

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Reconnecting America’s Center for Transit-Oriented Development

- Creating a national marketplace for TOD, working with cities, transit agencies, developers, investors and communities.
- Non-profit research, policy, technical assistance initiative.
- CTOD is a strategic collaboration with the Center for Neighborhood Technology and Strategic Economics

http://www.reconnectingamerica.org
TOD = A Walkable Neighborhood

People within a half-mile radius are 5 times as likely to walk to a major transit stop than others. Those who live further from a transit node are less likely to bother with the train or bus.
TOD: What is it, Really?

TOD is development within a half mile of transit that:

- Increases “location efficiency” so people can walk and bike and take transit
- Boosts transit ridership and minimizes traffic
- Provides rich mix of housing, shopping and recreational choices
- Generates value for public and private sectors, new and existing residents
- Creates wonderful places
Development At Transit

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
Why A District Approach

- Creates Greater Critical Mass
- Allows Different Sites to Provide Different Functions
- Responds More Effectively to the Market
- District Connectivity Can Reduce Auto Dependency and Expands Transit Ridership

MacArthur Station, Oakland, CA
TOD Ingredients: Vibrant, Safe and Beautiful Places

Jameson Square, Portland’s Pearl District

Fruitvale Transit Village
TOD Ingredients: Mixed-Use

- Walk to Shops and Services
- Support Local Biz
- Drop kids at daycare without driving
- Hit the Library on the way home
- Be Active!
- Opportunity to create a new lifestyle

Arlington, VA
TOD Ingredients: Greater Transportation Choices + Connectivity

- Transit can’t do it alone
- Walkable Places are the building block
- Lower Parking Standards in TOD
- Car sharing,
- Bike and pedestrian connections
- Bus connectivity

Minneapolis, MN
Car Ownership Rates are Lower in Transit Zones

- Transit Zones: Households own an average of 0.9 cars.
- Metro-regions: Households own an average of 1.6 cars.
- Car ownership goes down as transit system grows.
- Parking can be reduced.
TOD Ingredients: Consumer-Oriented Transit

- Coffee allowed on board
- Hangers for Dry Cleaning and Shopping
- Passes provided by Universities, Employers (and real estate developers)
- Timed Transfers
- Downloadable schedules to PDA’s
- Free WiFi
- Java-Based Bus Tracker

Seattle, WA
TOD Ingredients: Get the Details Right!

- Link “Access Priorities” to Design
- Create Immersive Environments
- Not every place has to be the same
- Always think about the Consumer

16th Street BART, SF
Transit Design should reflect Place

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Street Running in Center Alignment

- Allows creation of station areas, requires a lot of street width
- Pedestrians must cross through traffic to get to stop

Houston and Strassbourg
Street Running, Either Side Alignment

- Better transit-pedestrian interface
- Most suitable for downtown where access trumps speed

Portland, OR
Don’t overdo it!

QuickTime™ and a TIFF (Uncompressed) decompressor are needed to see this picture.
Transit is in a Building Boom

- 3,341 existing stations in 27 regions with “fixed-guideway transit”
- 630 additional stations being built in 15 regions with new systems
- 100 cites in the national Community Streetcar Coalition
- Private sector is contributing to transit construction

Denver’s Union Station; 44 trains an hour, soon
In Tacoma, light rail is part of the downtown revitalization

- Bus service carried 141,000 passengers in 2002
- The light rail carried more than 738,000 passengers in 2004 – an increase of 438% over 2002
- Exceeded 2010 ridership projections in just 8 months of operation
- Businesses have seen profits surge as much as 30%

Tacoma, WA
Changing Demographics are Forcing A New Housing Market

- 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 -- have historically used transit in higher numbers
Changing Consumer Preferences

- Wall Street Journal: 2005 median sales price for condos tops price of single family homes for first time, 9th consecutive year of record condo sales

- Cover of Dwell magazine: “Small is the New Big”

- Professional Builder: 37% of households want small lots and clustered development

- Business Week: biggest homebuilders open infill divisions

- AARP: 71% of older households want to be in walking distance of transit
TOD Creates Value That Can Be Captured

Value capture strategies include:

- Property and sales taxes
- Real estate lease and sales
- Farebox revenues
- Fees on everything from parking to business licenses
- Joint development
- Tax increment financing
- Special assessment districts
- Equity participation
- Public-private partnerships

Arlington, VA
The Value-Creating Power of Transit

<table>
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<tr>
<th></th>
<th>Start of Service</th>
<th>Initial Track Miles</th>
<th>Initial System Cost Per Track Mile (Millions)</th>
<th>Initial System Cost (Millions)^</th>
<th>Development Investment (Millions)*</th>
<th>Return on Investment (%)</th>
<th>Expansion Planned</th>
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^ This represents the total costs of the project including maintenance facilities and in Tampa’s case, land acquisition.

* This represents planned and existing development investments directly related to the lines. Numbers were through interviews in Little Rock and Kenosha, a development study in Portland, and calculations of new planned development located three blocks or less from the streetcar in Tampa.
National demand for TOD will more than double by 2030

- Residential could grow from 6 million to 16.5 million households by 2030.
- Regions with extensive and growing transit systems offer the greatest TOD potential.
- Growth is likely to be modest through 2010 and accelerate in later years as transit systems are constructed and expanded.

![Projected Demand for Housing in Transit Zones](chart.png)
Network Coverage Drives Performance + Demand for TOD

Four Transit Systems Shown at the Same Geographical Scale

- New York - Extended (962 Stations)
- Washington DC - Large (163 Stations)
- Cleveland - Medium (50 Stations)
- Denver - Small (30 Stations)
Transportation is the Second Highest Household Cost

Typical American Household Budget

- Shelter: 35%
- Food: 13%
- Insurance & Pensions: 9%
- Clothing and Services: 6%
- Cash Contributions: 4%
- Entertainment: 5%
- Health Care: 4%
- Misc. Expenses: 7%
- Transportation: 17%
- Food: 13%
- Shelter: 35%
Monthly Transportation Costs in the Twin Cities Region

**How Transportation Costs Stack-up in Four Twin-City Communities**

- **Farmington**: $941/month, $11,292/year
- **Midway, St. Paul**: $561/month, $6732/year
- **Fridley**: $715/month, $8580/year
- **7-County Region**: $741/month, $8892/year
Reasons to locate affordable housing near transit:

- Residents use transit, thereby reducing cost of living
- Low income residents use transit more frequently than any other income group
- Developers can build less parking thereby reducing project cost and leave funds for affordable housing
- Developments have reduced traffic impacts
Rosslyn-Ballston Transit Corridor, Arlington, VA

• Used Metrorail as catalyst for redevelopment of commercial spine
• Concentrated density and promoted mixed-use at five stations
• Preserved and reinvested in adjacent residential neighborhoods
Rosslyn-Ballston: Results

- 73.3% of patrons walk to transit; over 58,000 trips daily; 38% of residents near stations take transit to work. Average County HH income is $63,000

- 12% of Arlington County households don’t own cars; regional average is 4% carless

- The R-B Corridor produces 32.8% of the County’s real estate tax revenue from 7.6% of it’s land area, allowing Arlington to have the lowest property tax of any major jurisdiction in Northern Virginia
Rosslyn-Ballston Corridor Development Trends

- **HH**: Household
- **Population**
- **Employment**

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<th>Year</th>
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## Traffic Stayed Constant or Went Down!

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What Does it Take to Do Good TOD and Get High Performing Transit?

- Define Goals Upfront: The Vision
- Design for Pedestrians and Place
- Leadership!
- Partnerships
- Let the Market Lead
CTOD: Unlocking the Power of Transit-Oriented Development

- Pinpointing the Demand for TOD in Regions and Corridors
- Making TOD Easier by Removing Barriers
- Devising Innovative Implementation & Financing Strategies
- Educating Leaders, Developers and Practitioners
- Acting as a Clearinghouse for Best Practices

www.reconnectingamerica.org