

Realizing the Potential:
**Transit Oriented Development
and Affordable Housing**

Maricopa County Association of Governments

April 8, 2008

QuickTime™ and a
TIFF (Uncompressed) decompressor
are needed to see this picture.

Getting to Diverse TOD

■ Absent intervention, new housing near transit will likely be:

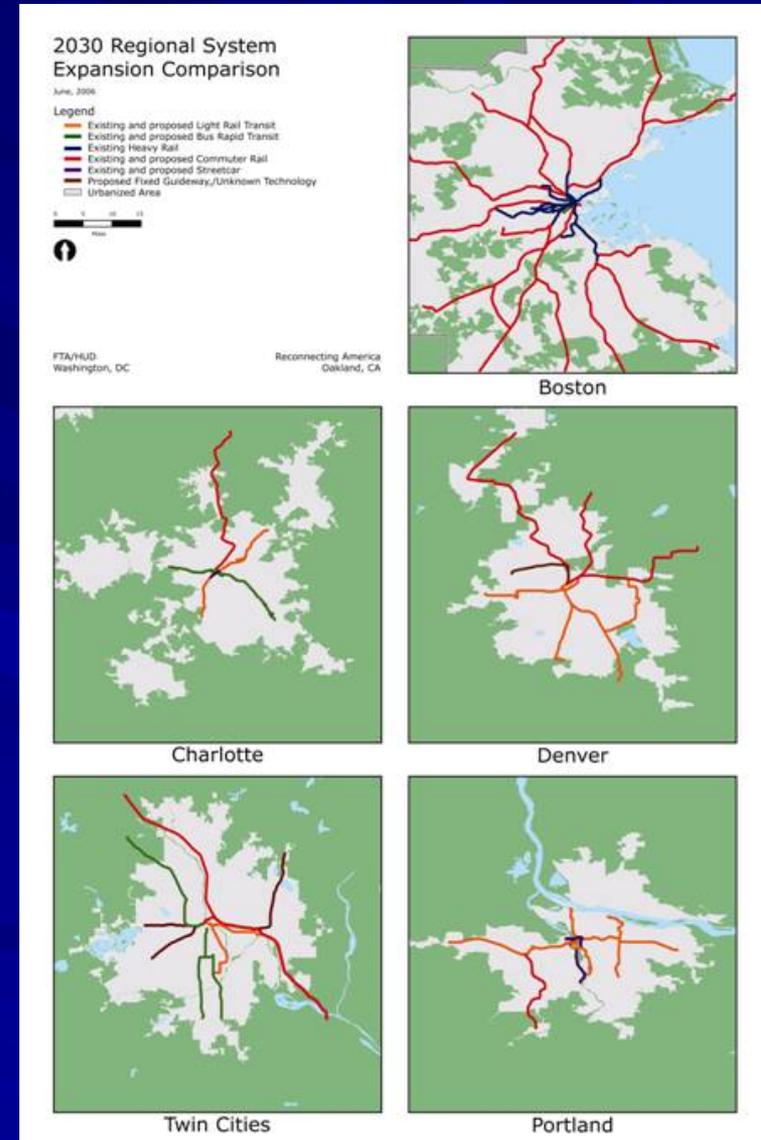
- Homeownership
- Small units
- Single-family **and** condo
- Luxury and market-rate

■ Policies, Funding, and Plans need to focus on:

- Rental **and** *affordable* ownership
- Small units **and** large ones
- Single-family, multi-family, **and** multi-generational
- Affordable **and** subsidized
- Link Housing and Transportation Investments and Policies

A look at the 5 Case Study Regions

- **BOSTON:** mature system, hot housing market, state leadership
- **CHARLOTTE:** new line under construction, rapidly growing region and active housing market, city and transit agency leaders
- **DENVER:** expanding new system, hot housing market, city/county partnering with MPO and transit agency
- **PORTLAND:** expanding multi-modal system, hot housing market, regional approach
- **TWIN CITIES:** new system with plans to expand, warm housing market, ridership and development responding to TOD, multiple public actors



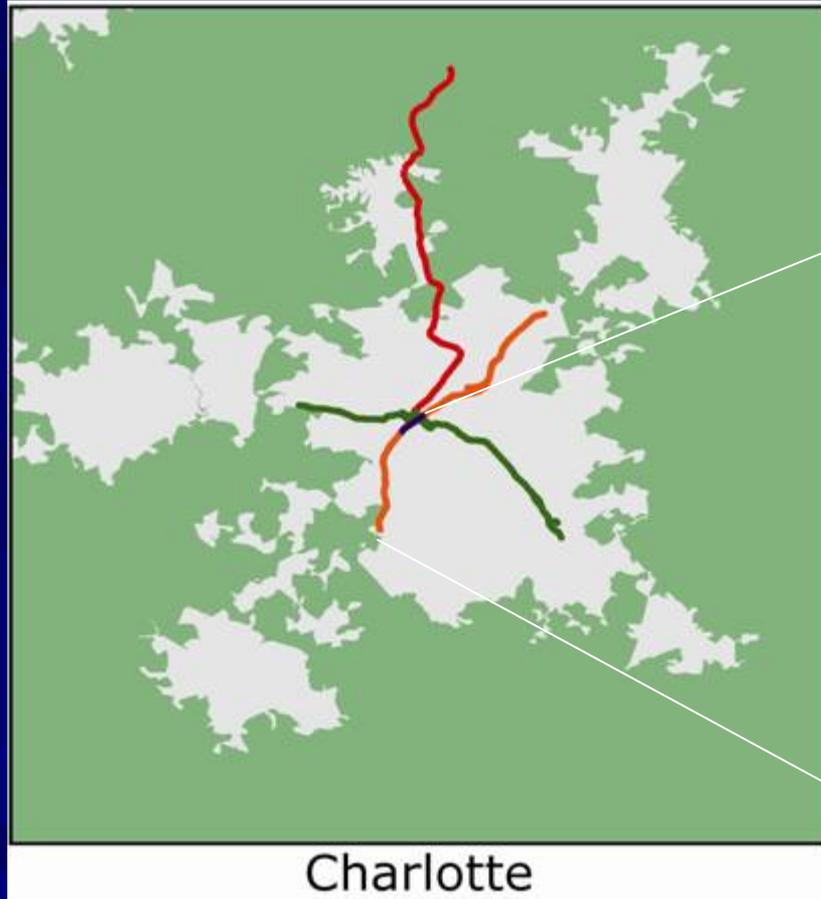
Regions Vary Greatly

- **By Population.** The number of households in the region range from a high of 1.8 million in Boston to 575,000 in Charlotte. (410,000 in Boston Transit Zones to < 4,000 in Charlotte.)
- **By Age and size of system.** Include a mix of transit technologies from streetcar to light rail to commuter rail.
- **By Income and demographics.** Median income in the transit zones studied is generally lower than median income for the regions as a whole, in some cases significantly lower.
- **By Housing prices.** House prices increased substantially in two of the five case study sites between 2000 and 2005; 81 percent in Boston and 48 percent in the Twin Cities. The remaining sites experienced more moderate price increases of less than 25 percent, with Charlotte increasing by just 8 percent over this period.

Each has growing TOD demand

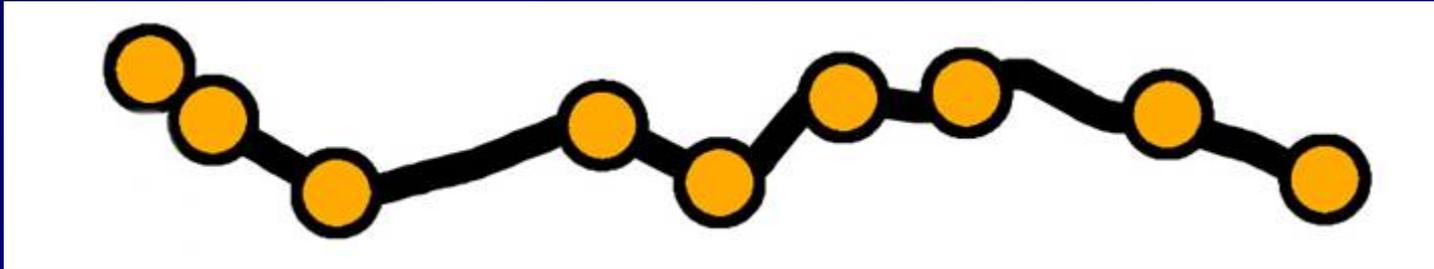
Region	2000 Median Income Region (Transit Zones)	Increase in Median Home Values, 2000-05, adjusted	Hhlds paying 30% or more for Housing	Projected TOD Demand in 2030	2030 Need for TOD from Hhlds earning <\$50K
Boston	\$51,727 (\$48,306)	81%	38%	1,072,309	47% 509,219
Charlotte	\$46,120 (\$40,715)	8%	35%	87,097	62% 54,101
Denver	\$51,760 (\$31,839)	18%	38%	155,076	54% 83,594
Portland	\$47,061 (\$34,899)	22%	40%	308,644	51% 156,802
Twin Cities	\$54,317 (\$30,613)	48%	38%	110,906	49% 54,187
U.S.	\$41,994	24%	21%	16,007,245	51% 8,165,322

Regions Are Networks of Corridors



Why Corridor?

- Transit Systems Planned at the Corridor Level
- Land Use Planning Can be Organized at the Corridor Level
- Real Estate Markets Can be Assessed at the Corridor Level
- Transit Financing can Occur on the Corridor Level



Four Corridor Types

- Commuter Corridor
- District Circulator
- Planned Growth
- Destination Connection

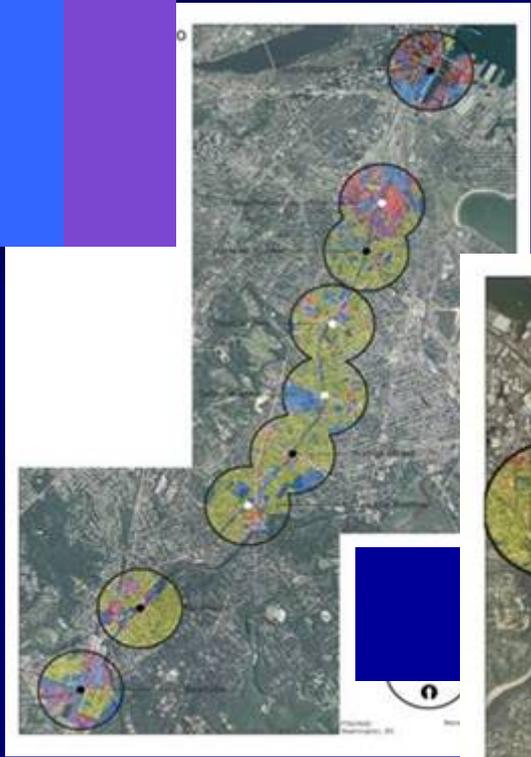


Photo Courtesy of Kevin Joseph



Photo Courtesy of P J S

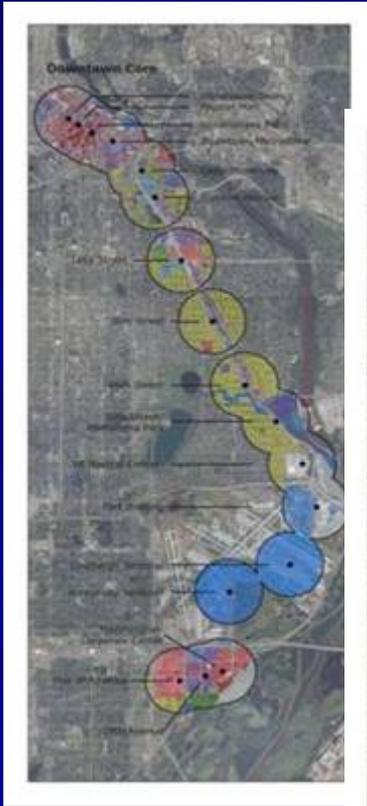
Existing Land Use Patterns



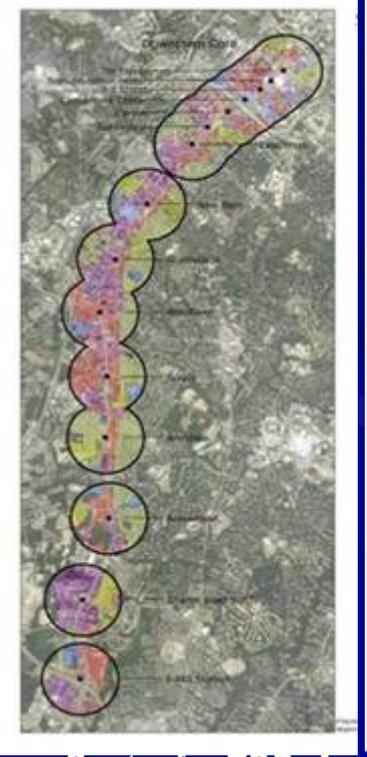
Portland
District Circulator
Transit 2001



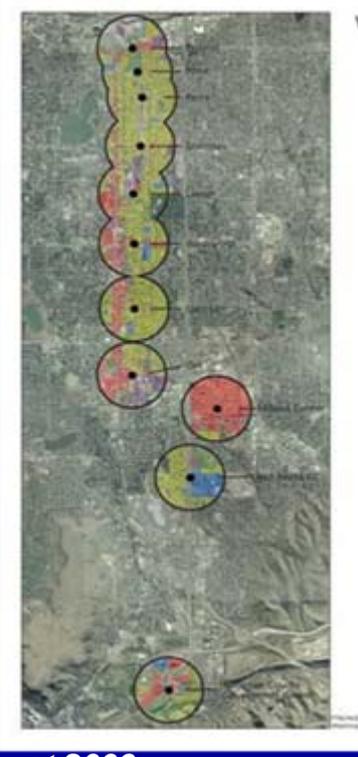
Minneapolis
Destination Connector
Transit 2004



Charlotte
Planned Growth Corridor
Transit 2008



Denver
Destination Connector
Transit 2012



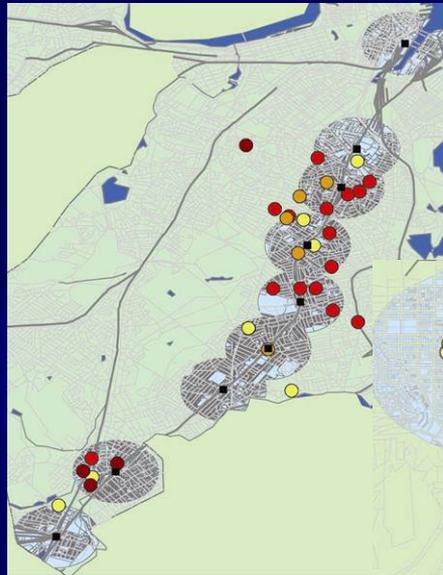
Boston
Commuter Corridor
Transit 1986, Future
Expansion

Draft – Do not CITE or distribute

Center for TOD, August 2006

Housing Development

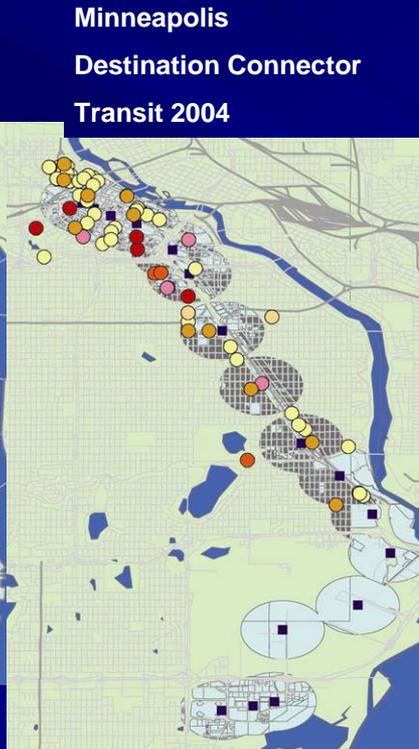
Recent, Planned & Proposed Residential & MU Projects in ½ Mile Station Areas



Portland
District Circulator
Transit 2001



Boston
Commuter Corridor
Transit 1986, Future
Expansion



Minneapolis
Destination Connector
Transit 2004

Charlotte
Planned Growth Corridor
Transit 2008



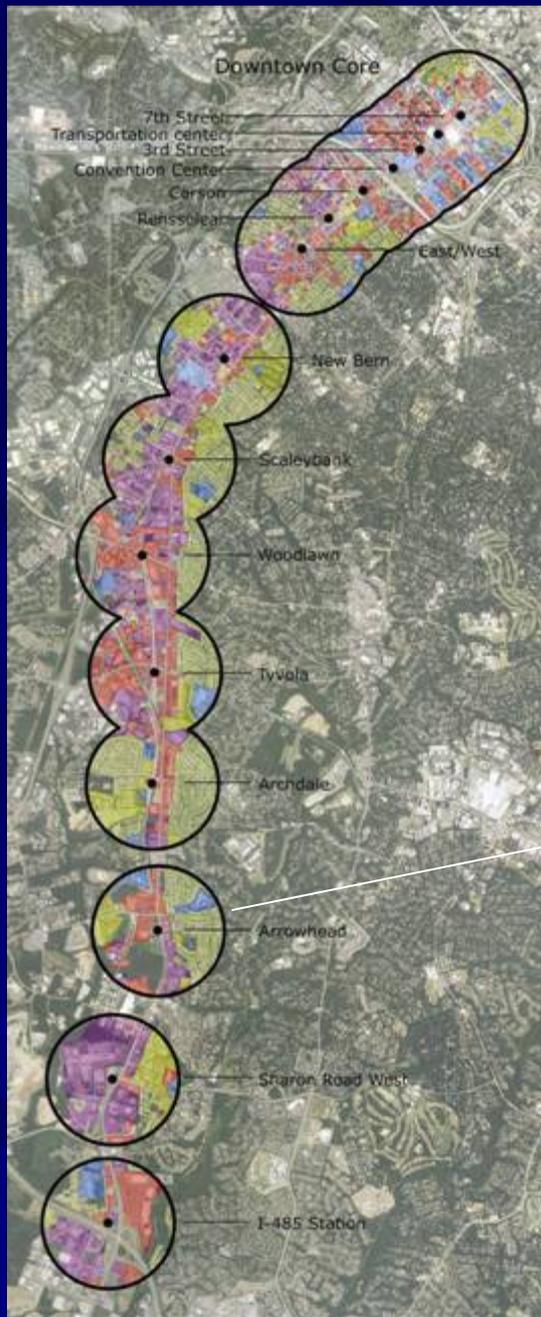
Denver
Destination Connector
Transit 2012



Variation among the 5 corridors

Corridor	Transit Characteristics	Demographics within ½ mile radius	Underutilized Acres	TOD capacity (% regional demand)
Boston: Fairmount/Indigo Line	Commuter Rail: 9 miles with 5 existing stops, 4-6 more proposed	30,169 hhlds, 18 DUA, \$35,353 median income in 2000	345 acres	3,000 – 6,000 (0.41% - 0.83%)
Charlotte: South Corridor/Blue Line	Light Rail: opening in 2007, 9.6 miles with 15 stations	9,406 hhlds, 6.7 DUA, \$ 39,388 median income in 2000	1,277 acres	4,000 – 8,500 (5.5% - 11%)
Denver: West Corridor	Light Rail: opening in 2013, 12.1 miles with 11 stations	14,389 hhlds, 9.6 DUA, \$35,764 median income in 2000	983 acres	4,500 – 9,500 (3% - 7%)
Portland: Streetcar, from Pearl District to South Waterfront	Streetcar: opened in 2001/2006, 3 miles and 38 stops	19,555 hhlds, 39 DUA, \$27,921 median income in 2000	N/A	N/A
Twin Cities: Hiawatha Corridor	Light Rail: opened in 2004, 12 miles and 17 stops	17,870 hhlds, 18 DUA, \$30,571 median income in 2000	504 acres	4,500 – 9,000 (3.5% - 7%)

Corridor to TOD



TOD Typology

TOD Type	Land Use Mix	Minimum Housing Density	Regional Connectivity	Frequencies
Urban Downtown	Office Center Urban Entertainment Multifamily Housing Retail	>60 units/acre	High Hub of Radial System	<10 minutes
Urban Neighborhood	Residential Retail Class B Commercial	>20 units per acre	Medium Access to Downtown Subregional Circulation	10 minutes peak 20 minutes offpeak
Suburban Center	Primary Office Center Urban Entertainment Multifamily Housing Retail	>50 units/per acre	High Access to Downtown Subregional Hub	10 minutes peak 10-15 offpeak
Suburban Neighborhood	Residential Neighborhood Retail Local Office	>12 units/acre	Medium Access to Suburban Centers and Access to Downtown	20 minutes peak 30 minutes offpeak
Neighborhood Transit Zone	Residential Neighborhood Retail	>7 units/acre	Low Access to a Center	25-30 minutes Demand Responsive

Market Impacts of Transit

- Transit's Impact on Housing Markets Vary Widely; Confluence of Market, Transit, Zoning & Other Infrastructure Improvements Key
- Potential Varies According to How Built Out Station Areas Are
- For Boston, most of the opportunity is at small, scattered sites – potential for infill development
- CDCs Currently Doing a Better Job of Developing Small Sites – Market Developers Inactive, Focused on Larger Opportunities Elsewhere

TOD-Supportive Local Policies Needed

- TOD Land Use Framework Critical; Current Zoning is not TOD-Supportive
- If Developers Lead, May or May not Get TOD
- City-held lands are an enormous potential asset that need a strategy for development
- Regional strategy is absent, yet impacts opportunity

Affordable Housing Challenge

- Find ways to address higher cost of desirable land adjacent to transit
- Integrate affordable housing into TOD development

1: Identify Options for Housing Near Transit

- Assess the potential for affordable housing as well as potential displacement
- Identify publicly owned development sites along transit corridors
- Target a percentage of future regional growth into transit corridors

2: Provide Incentives for Mixed Income And Affordable Housing

- Create land acquisition/land banking funds near transit
- Modify Low Income Housing Tax Credits to offer incentives for locating near transit
- Tax increment financing, other value capture tools for affordable housing
- Leverage transportation funds – e.g. San Francisco Housing Incentive Program

3: Address regulatory barriers

- Address regulatory barriers in order to reduce cost of TOD development
 - Local zoning codes
 - Parking requirements
 - Complexity of development process
- Encourage proactive station area planning
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4: Coordinate Housing and Transportation Plans and Investments

- HUD Consolidated Plan - DOT transportation planning requirements
- Target existing funds (e.g. CDBG) or new sources to support affordable housing and new affordable housing within transit corridors

5: Improve Local Capacity, Partnerships and Data Collection

- Strengthen capacity in public housing, cities and transit agencies (e.g. Charlotte, Portland TOD specialists)
- Use FTA policy on joint development – flexibility to lease, sell property.
- Monitor and track development trends, property values

Action Plan for Mixed-Income TOD

1. Identify Opportunities for Mixed Income and Affordable Housing
2. Provide Incentives for Mixed-Income Market Response
3. Remove Regulatory Barriers
4. Coordinate Transportation and Housing Investments
5. Improve Technical Capacity, Partnerships and Data Collection



Further Information

- www.fta.dot.gov/planning_environment
- www.reconnectingamerica.org
- www.nhc.org