



METRO





Eminent Domain & TOD

Rail~Volution 2008

Ben Limmer, METRO Light Rail
Phoenix, AZ

October 28, 2008



Valley Metro Rail, Inc.

METRO

- Formed in October 2002
 - Purpose
 - Plan, design, construction and operate the METRO light rail system, including future extensions
 - Members



City of Phoenix





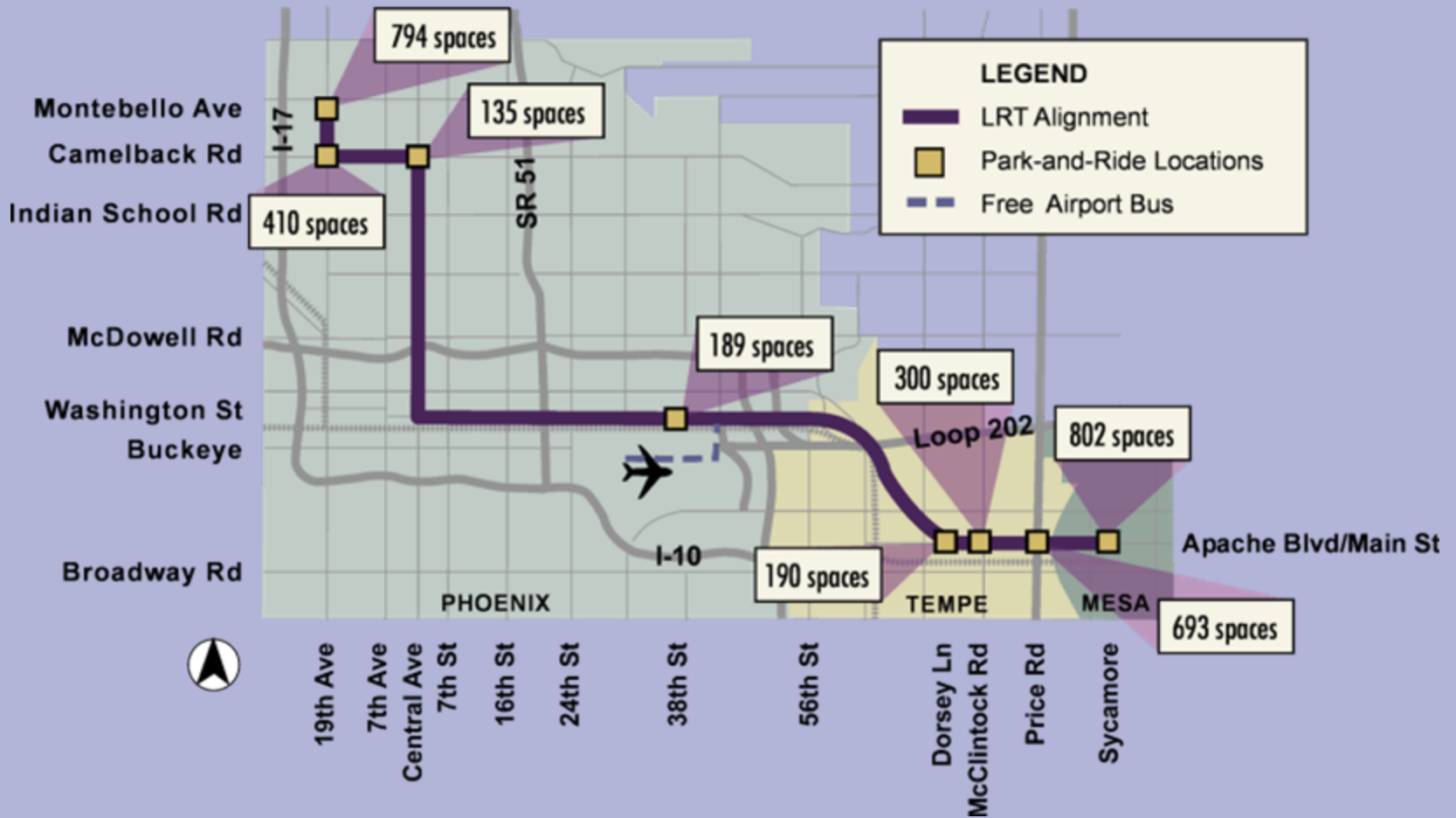
METRO Light Rail Alignment





Park-and-Ride Locations

3,513 Opening Day Park-and-Ride Spaces





Operations

- **Frequency**
 - 10 min. 6 a.m.-7p.m.
 - 15 min on weekends
 - 20 min. all other times
- **Hours 4 a.m. – 12 a.m.**
 - First full trip starts at 4:40 a.m.
 - Last full trip starts at 11 p.m.
- **Travels at posted speed limits**



Hours of operation and train frequency are not yet final



Only 62 Days Until Grand Opening !

Grand Opening Weekend:

December 27 – 28, 2008

- Free rides through 12/31
- Station celebrations
- Food & entertainment

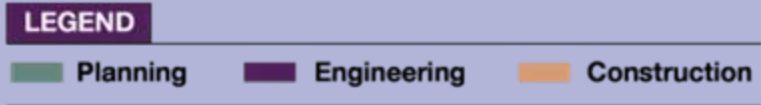
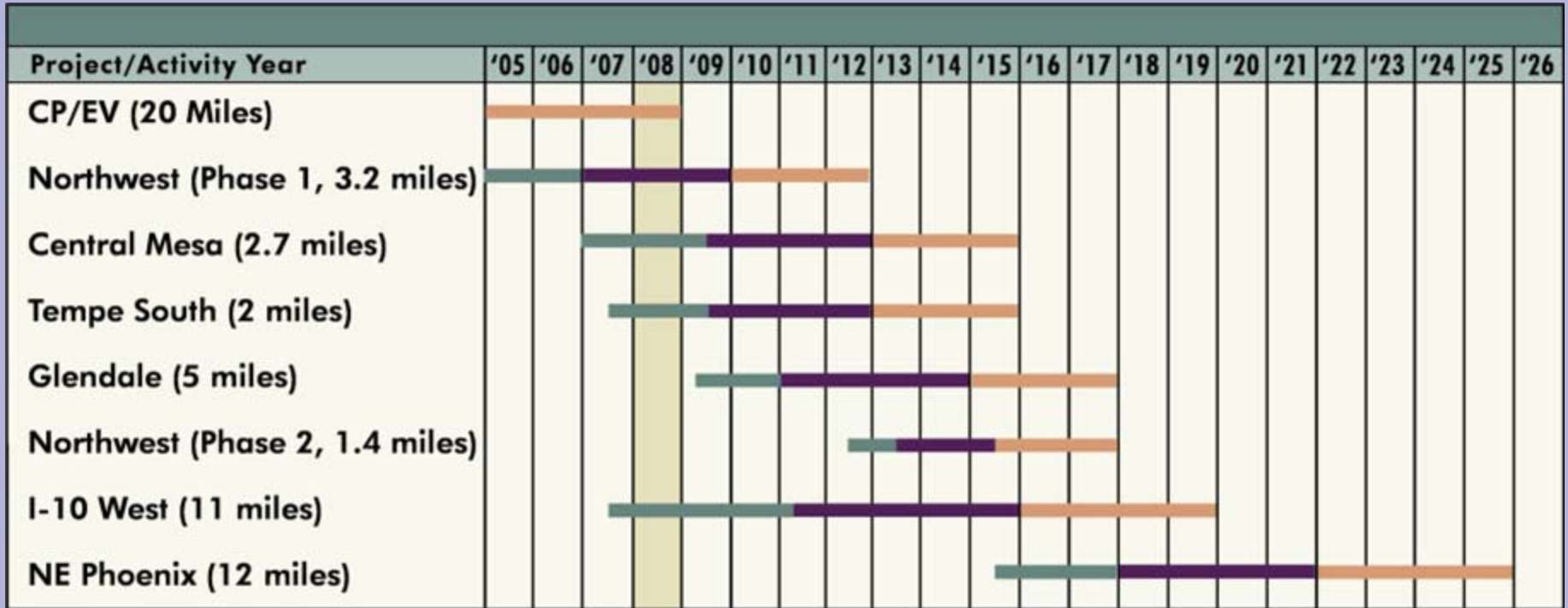
Beginning of Passenger Service:

- January 1, 2009





Future High Capacity/Light Rail Schedule



Note: Dates indicate calendar year



Eminent Domain & TOD: The METRO Context





Right-of-Way Acquisition

- METRO light rail: 90+% in-street running
- Acquisition of properties from 20-mile starter line:
 - 751 parcels
 - 258 relocations
- Each city uses their own process:
 - Appraisal
 - Offer
 - Close of escrow OR condemnation



City of Phoenix





Opportunity: Equinox Tempe Transit

- Originally a surface park-and-ride lot
- City of Tempe engaged a private developer
- SEC McClintock & Apache Blvd.
- Apache Blvd. redevelopment district
- 408 residential units
- 13,000 sq. ft. retail
- 300 park-and-ride spaces in an enclosed garage
- Under construction
- Completion fall 2008





METRO's TOD Vision

- METRO is steward of \$1.4 billion public investment
 - Success hinges on easy access by potential riders
 - Maximize public return on investment
- METRO support member cities by serving as a resource
 - Support high-quality, intensive, mixed use development
 - Increase in ridership and long-term system capacity
 - Creates attractive investment opportunities for private sector



City of Phoenix





TOD Initiatives



City of Phoenix

Station Area Plans

- 7th Avenue
- Central / Camelback
- Indian School
- Roosevelt
- 12th Street
- 38th Street

Downtown Development Office

- Project development
- Marketing parcels
- ASU Downtown



Station Area Plans

- Rural / University
- Dorsey
- McClintock
- Smith / Martin
- Price



TOD Overlay

- Sycamore / Main St.

Neighborhood Area Plan

- Main St. to Country Club Dr.



Member City Support

- Development activity database
- Station area planning assistance
- Marketing materials
- Project review & development coordination
- Market analysis
- TOD research
- Geographic Info. Systems mapping



Development Along Route

2004 to Present

- **\$6.0+** billion total investment along METRO Light Rail (planned, under construction, or completed)
 - \$4.6 billion private investment
 - \$1.4 billion public investment
- **15,000+** residential units
- **7+** million sq. ft. commercial
- **1+** million sq. ft. government
- **1,800+** hotel rooms

\$1.4 Billion

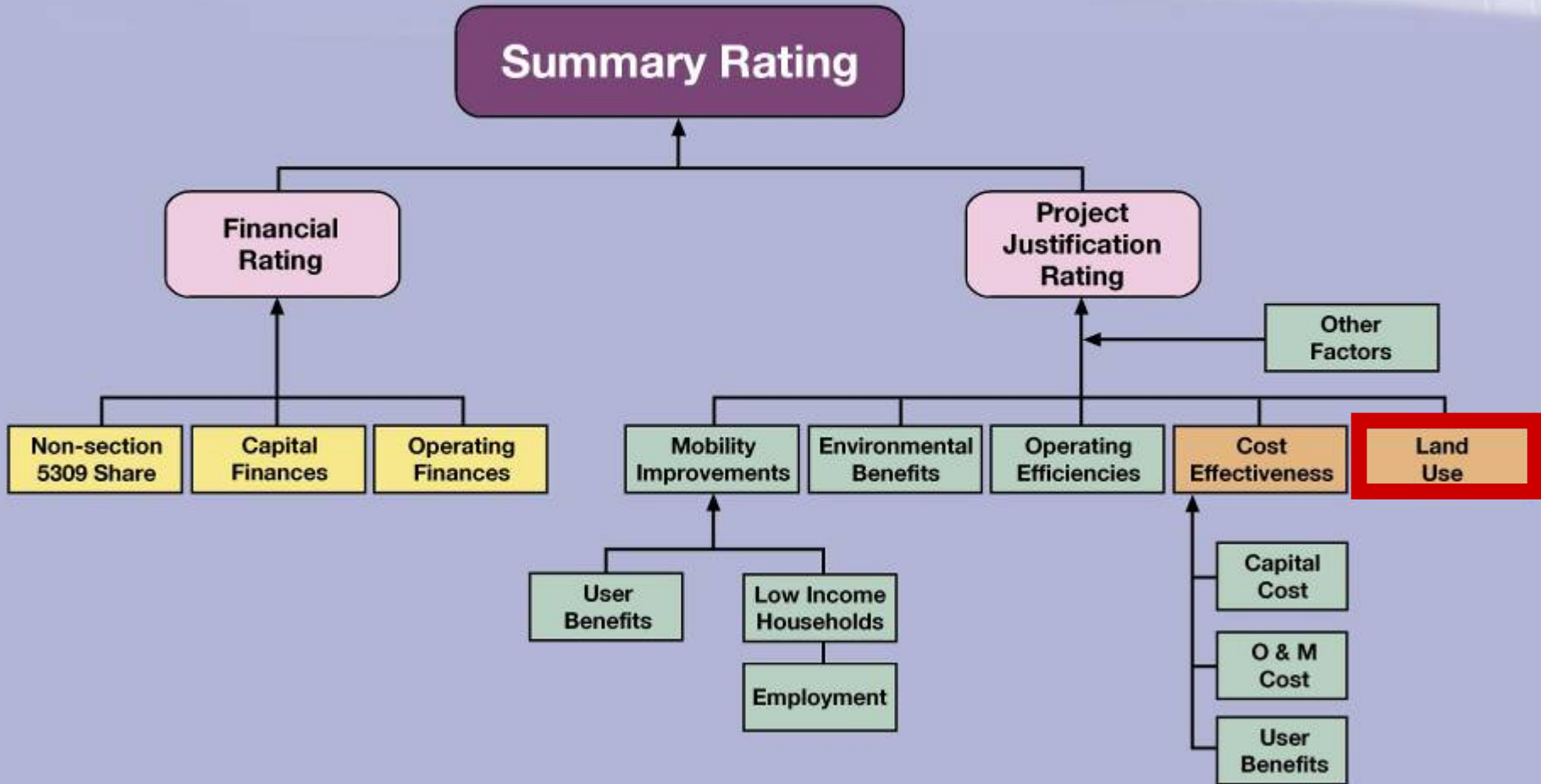
Light Rail investment

\$6.0 Billion

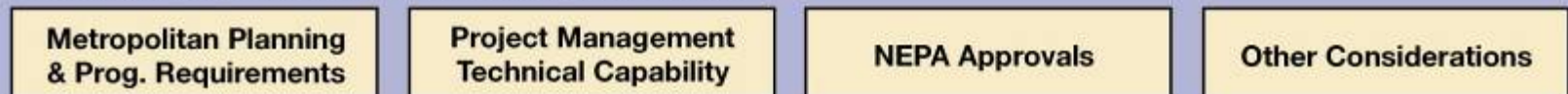
Non-rail investments



FTA New Starts Criteria



Minimum project development requirements:





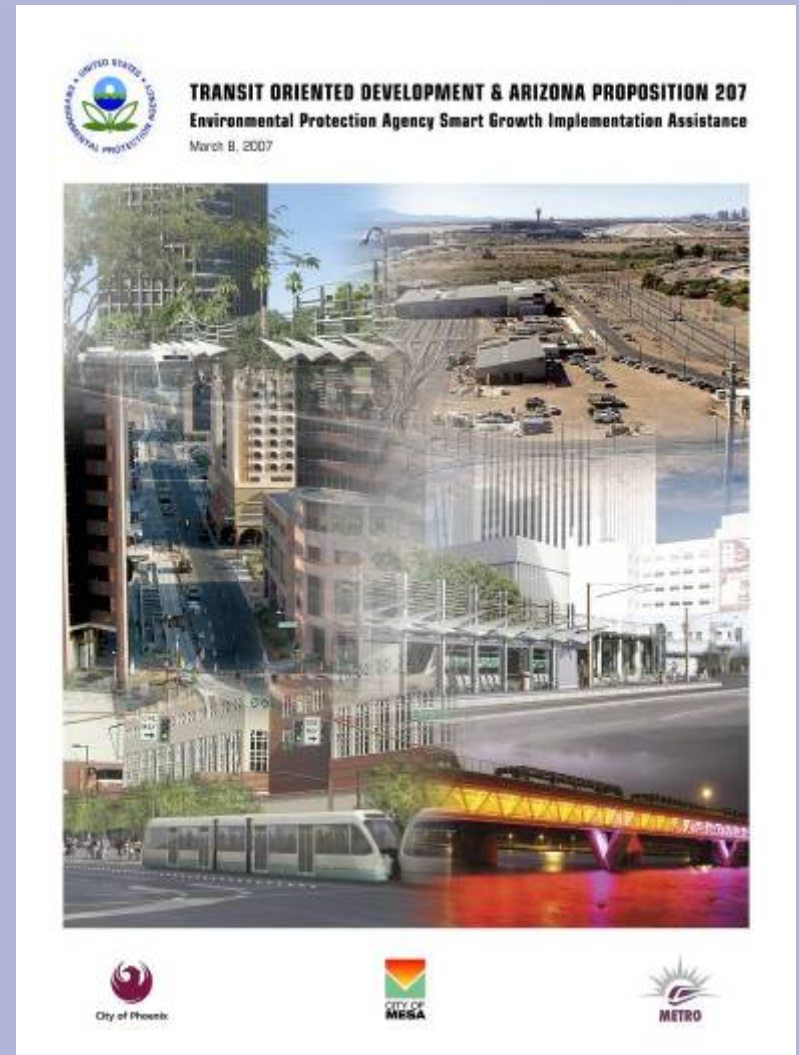
Arizona Proposition 207

- Private Property Rights Protection Act
- Voter initiative passed in 2006
- Funded by out of state interests
- Restricts ability to regulate private property
- Two components:
 - Eminent domain
 - Regulatory takings



EPA Grant

- Smart Growth Implementation Award
- EPA Technical Assistance Team
- Collaborative effort
 - METRO, Phoenix & Mesa
- Establish TOD initiatives under Prop. 207





Project Tasks

- Develop a TOD policy inventory
- Detailed analysis of Proposition 207 and TOD policy options
- Case study of peer city TOD tool examples
- Develop a strategic package of tools to promote TOD
- Evaluate the potential financial benefits of each tool
- Stakeholder workshop

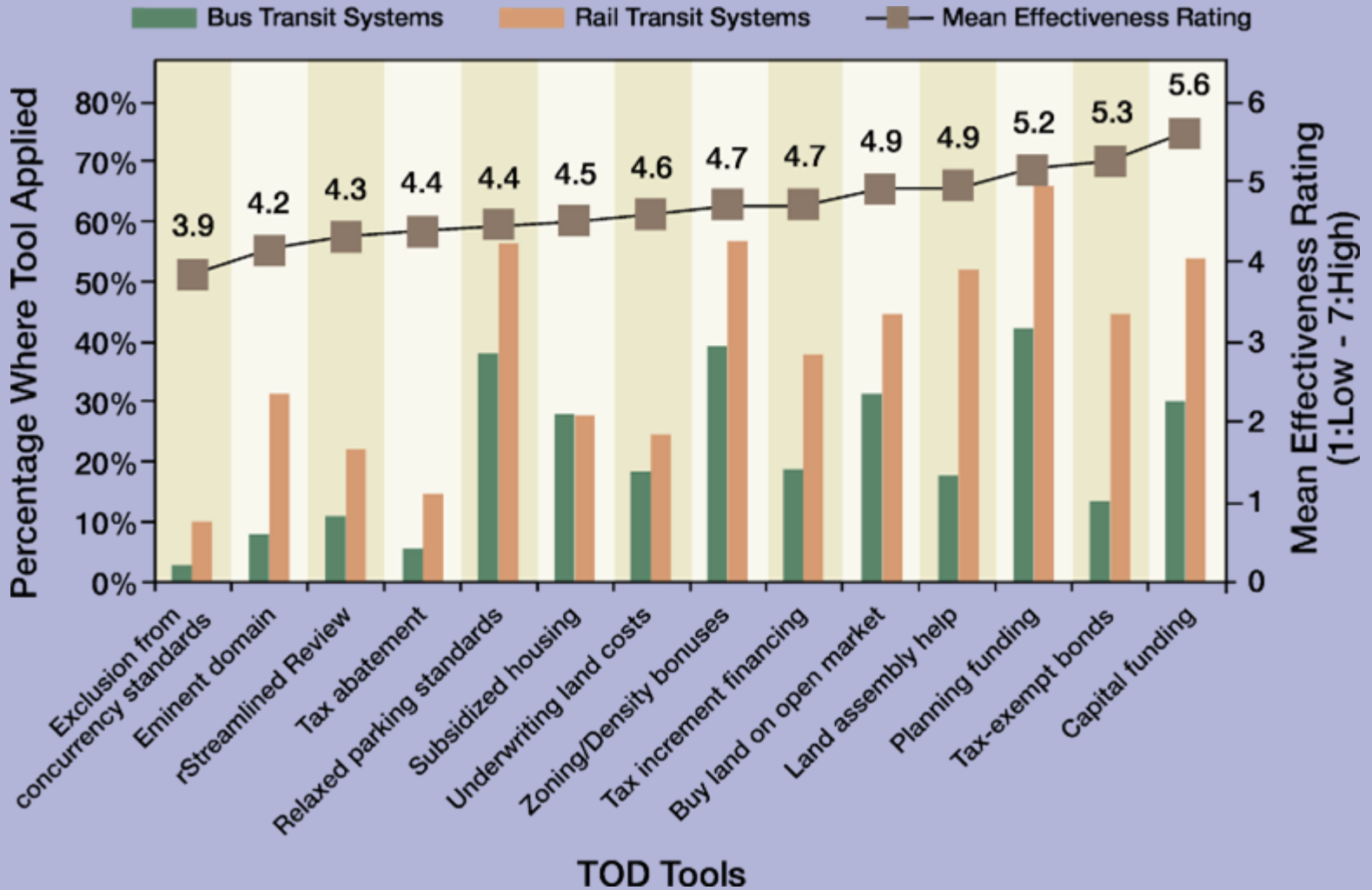


TOD Policy Tools & Prop 207

- **Susceptible to successful compensation claims:**
 - Use restrictions in overlay zones
 - Parking caps
- **Claims possible, but such incentives are unlikely to produce a reduction in property value:**
 - Expedited development review
 - Relaxed parking restrictions
 - Density bonuses
- **Not land use laws (fall outside scope of statute):**
 - Funding for station area planning and market studies
 - Financial assistance for land assembly (without use of eminent domain)
 - Buying available parcels in the open market
 - Capital funding for infrastructure
 - Tax exempt bonds
 - Underwriting development land costs
 - Tax abatement



Effectiveness of TOD Policy Tools & Transit





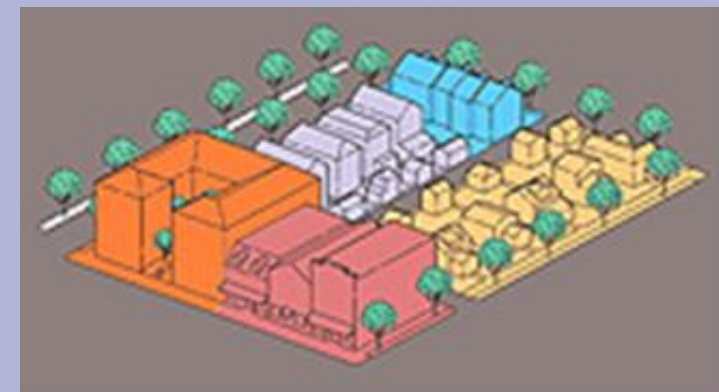
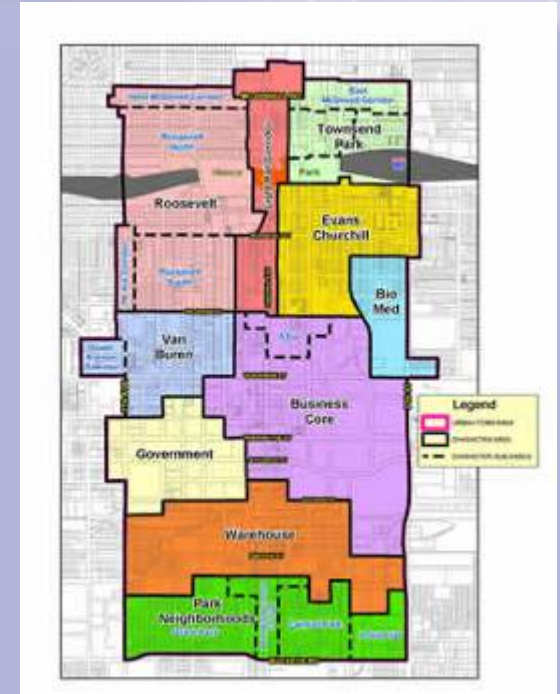
Strategic TOD Tools

- Use restrictions in overlay zones
- Expedited development review
- Relaxed parking restrictions
- Density bonuses
- Funding for station area and market studies
- Financial assistance for land assembly
- Buying available parcels in the open market
- Capital funding for infrastructure
- Tax exempt bonds
- Underwriting development land costs
- Tax abatement
- Design standards
- Form based codes
- Shared parking
- Reduced parking
- Funding for station area planning
- Housing Trust Funds
- CDC lead efforts
- City transit agency
- livable communities program



Form Based Codes

- Attractive and comparable alternative to TOD overlay districts
 - Precedent set with Phoenix Urban Form Project
 - Supports walkability
 - Builds ridership
 - Doesn't directly restrict uses
 - Sets up block-level development framework
 - Street frontage
 - Configuration of buildings
 - Building size in relation to one another
 - Scale of streets
 - Block size





Next Steps

- Further evaluate the potential financial benefits of each tool
- Stakeholder workshop in December
- Present key findings to local officials



Questions?

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