Mixing it up for the better: The Benefits of Diverse Transit Oriented Neighborhoods

Rail~volution

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The Goal of our Study

To make the case for Diverse TOD to two groups -- with shared interests and considerable expertise-- that do not often connect:

**TOD Practitioners:**
- Transportation planners
- Land Use Planners
- Market Rate developers
- Environmentalists

**Mixed-Income Developers:**
- Community Developers
- Affordable Housing Developers
- Advocates for Equal Opportunity
The Power of Combining Forces

Respond to demand and needs, while creating benefits for households, transit agencies, developers, and regions

Benefits of TOD
• Housing and Mobility Choices
• Delivers Riders to Transit
• Supports Healthy Lifestyles
• Creates Lasting Value
• Opportunity for High Quality Urbanism

Benefits of Diverse Communities
• Provides Needed Housing
• Access to Social Networks & Jobs
• De-concentrate Poverty
• Helps Workforce Stability
• Keeps Extended Families Together
• Allows Elderly to Age in Place

Benefits of Diverse Transit-Oriented Neighborhoods
• Increases Affordability and Wealth Creation Opportunities for Residents
• Builds Stable Ridership for Transit
• Supports Regional Job Market
• Provides more Sustainable Real Estate Investments
• Reduces Congestion and Energy Use
Benefits of Diversity – The #’s

- Lower costs for households
- Greater ridership for transit
- Less congestion for regions
- Less parking for developers

### National Means of Transportation to Work by Income 2000

<table>
<thead>
<tr>
<th>Annual Income</th>
<th>Auto</th>
<th>Transit</th>
<th>Walk or Bike</th>
<th>Other/at Home</th>
</tr>
</thead>
<tbody>
<tr>
<td>&lt;$20,000</td>
<td>80%</td>
<td>7.8%</td>
<td>7.0%</td>
<td>5.1%</td>
</tr>
<tr>
<td>$20K- $34,999</td>
<td>87%</td>
<td>5.3%</td>
<td>4.0%</td>
<td>3.8%</td>
</tr>
<tr>
<td>$35K-$49,999</td>
<td>89%</td>
<td>4.3%</td>
<td>2.8%</td>
<td>3.4%</td>
</tr>
<tr>
<td>$50K-$74,999</td>
<td>91%</td>
<td>3.7%</td>
<td>2.1%</td>
<td>3.3%</td>
</tr>
<tr>
<td>$75K-$99,999</td>
<td>91%</td>
<td>3.9%</td>
<td>1.7%</td>
<td>3.4%</td>
</tr>
<tr>
<td>$100,000+</td>
<td>88%</td>
<td>5.2%</td>
<td>1.9%</td>
<td>5.1%</td>
</tr>
</tbody>
</table>

### Workers Walking, Biking or Taking Transit to Work by Race

<table>
<thead>
<tr>
<th>Zones</th>
<th>All</th>
<th>White</th>
<th>African American</th>
<th>Asian Pacific Islander</th>
<th>Hispanic/Latino</th>
<th>Other Race</th>
</tr>
</thead>
<tbody>
<tr>
<td>Zones</td>
<td>45%</td>
<td>39%</td>
<td>50%</td>
<td>51%</td>
<td>48%</td>
<td>49%</td>
</tr>
<tr>
<td>Regions</td>
<td>14%</td>
<td>10%</td>
<td>24%</td>
<td>18%</td>
<td>19%</td>
<td>20%</td>
</tr>
</tbody>
</table>
Challenges

- Promoting TOD in low and moderate income communities:
  - Concerns about TOD and gentrification

- Promoting diversity in neighborhoods
  - Most are still segregated by race and/or income

Measure of Racial Diversity in Transit Region Neighborhoods

- Homogenous
- Suburban = .37
- City = .47
- Heterogeneous = 1
Does Transit Promote Diversity?

• 86% of 3,252 Transit Zones in 2000 were more race and/or income diverse than their surrounding neighborhoods:
  – Suburban zones: typically more income diverse
  – Central City transit zones: typically more racially diverse

It appears that the cost savings and the amenities associated with TODs support and attract diverse households.
Income Diversity

• Zones are income diverse, but:
  – higher percentage earning <$20,000
  – lower percentage earning >$75,000
  – Transit Regions have higher incomes than the U.S. overall—transit is particularly important for lower income households in these regions
Race and Income Diverse TOD Neighborhoods

- Diversity measure varies by region (13% - 75% White)
- Higher densities and larger systems have greatest ridership
- 50-60% are middle income ($20K to $75K)

### Sample Diverse Transit Zones in 4 Regions

<table>
<thead>
<tr>
<th>Transit Zone</th>
<th>City</th>
<th>Workers</th>
<th>% White</th>
<th>% Transit, Walk Bike</th>
<th>% &lt;$20K</th>
<th>% &gt;$75K</th>
<th>% Own</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suffolk Downs, Blue Line</td>
<td>Boston, MA</td>
<td>1,578</td>
<td>75%</td>
<td>35%</td>
<td>21%</td>
<td>17%</td>
<td>45%</td>
</tr>
<tr>
<td>Rogers Park, Metra</td>
<td>Chicago, IL</td>
<td>11,640</td>
<td>23%</td>
<td>43%</td>
<td>27%</td>
<td>13%</td>
<td>22%</td>
</tr>
<tr>
<td>Columbia Hghts, Green Line</td>
<td>Wash. D.C</td>
<td>14,735</td>
<td>13%</td>
<td>59%</td>
<td>34%</td>
<td>14%</td>
<td>21%</td>
</tr>
<tr>
<td>Doraville, MARTA</td>
<td>Atlanta, GA</td>
<td>1,151</td>
<td>13%</td>
<td>11%</td>
<td>14%</td>
<td>23%</td>
<td>30%</td>
</tr>
</tbody>
</table>
TOD Demand in 2030 by Income & Type

- By 2030 Demand for TOD will increase from 6M to 16M
- Married couples will be a greater share of demand - similar to today’s regions
- 49% will be from households earning >$50,000
- 20% will be from households earning <$20,000 (from 28% today)

- The market could cater to the 50% that are married couples and that earn more than $50,000 and have sufficient demand
The Future of TOD and Diversity

Transit Zones Today: Provide Affordability, High Transit Use
  - Lower Median Income than Regions
  - Lower vehicle ownership
  - Use transit, walk, or bike at 3X the rate of their regions
  - High percentage of rentals, 65%
  - 42% of zones are majority minority

Already:
  - 10% have a majority earning $75,000 or more
  - Greater share of owner households paying >30% for housing

Transit Zones Tomorrow: Will demand outpace supply?
  - 49% of Demand from households earning >$50,000
  - Will diversity be maintained?
  - Will affordable rental housing be preserved?
  - Will low income households have access to affordable transportation?
  - Will new transit zones be mixed income?
  - Would decline in diversity lead to decline in ridership?
Regional Policy Challenges

- Absent intervention, new housing near transit will likely be:
  - Homeownership
  - Small units
  - Single-family \textit{and} condo
  - Luxury and Market-rate

- Policies, Funding, and Plans need to focus on:
  - Rental \textit{and} affordable ownership
  - Small units \textit{and} large ones
  - Single-family, multi-family, \textit{and} multi-generational
  - Affordable \textit{and} subsidized