Learning from Best Practice
Myths and Principles
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Overview

- Beyond myths
- TOD principals
- Creating value
- TOD market
- Case studies
- Four steps
- Conclusions

In all fairness I chose to note much of the work shown here I developed during my time at Parsons Brinckerhoff.
Development next to transit is TOD
TOD or TAD?

Transit-Oriented Development or Transit Adjacent Development

- Majority of development at US transit stations are not TODs
- TOD is still illegal in at most of US transit stops
- Not enough to be next to transit, must be shaped by transit
Shaped by Transit

- Greater density
- Less parking
- Better public realm
- Mix of uses
- Very walkable
- Tame the car

San Diego, Portland, San Francisco, Washington, DC, Denver
Orenco Station

Fundamentals for TOD ~ a great neighborhood

- Safe streets
- Strong center
- Local services
- Parks & open space
- Housing choices
- Good jobs
TOD
MYTHS

Transit enables TOD
Retrofit Stations for TOD

- Transit designed around the car
- Branch Avenue WMATA
  - 3,072 surface parking spaces
  - Station opened in 2001
  - Design precludes TOD
  - Designated a Metropolitan Center
- Retrofit plan for station
  - All transit functions
  - Plus TOD
Link to a Broader Strategy

TOD: a "means to an end" to achieving community objectives

- More than transit
- Part of community’s vision for growth
- Building partnerships essential
- Basis to gain greater broader support & success

State Center TOD Strategy, Baltimore MD
Understanding your market

- **Emerging Trends in Real Estate ‘10:**
  - "The future is about green development, infill, and TOD"

- Majority of TOD residents are childless
  - Empty-nesters & young urban professionals

- TOD households tend to be higher income
  - Reflects newer construction
Millennial’s Want Urban

2011 National Association of Home Builders:

- 88% of Gen Y want to be in an urban setting
- 1/3\textsuperscript{rd} willing to pay for the ability to walk
- Huge market: 80m Gen Y v 76m Boomers
Decline in Families w/ Children

- 30% of US housing demand
  - Dense, walkable, mixed-use communities
- Today less than 2% of housing
Kids are deferring driving

- Large decline in teens with drivers licenses.
- 1978-2008:
  - 16 year olds: -38%
  - 17 year olds: -35%
  - 18 year olds: -21%
  - 19 year olds: -16%

What is the new cool?
Is social networking changing the role of the car for kids?
Residents Near Transit Want

From Transit Community Resident Surveys:

- Well designed communities
- Easy access to a center
- High quality residence
- Quality transit service
- Pedestrian Friendly
- Good price value

“The ability to walk to a pint of milk”
This is a great TOD project
Active defined center

- Series of projects
- 18 hours of activity
- Quality public realm / sense of place
- Employment closest to transit
- Compact & dense
TOD: District not a Project

Orenco Station

This

Not This

The Round
More than a Parcel, More than a Project

- Create a walkable district
  - Area within a 5 minute walk
  - Approximately 125 acres
  - Walkable complete community
- Most “TODs” don’t meet this standard
  - Requires broader strategy, cooperation
  - Understanding the bar needs to be higher
Mission Bay
San Francisco

- Mission Bay redevelopment
- University Campus
- High Density Housing
- Mixed-use
- Station at SF Giants ball park
TOD Myths

TOD needs less parking
Principles for TOD

Limited, managed parking

- Always a challenging issue
- Consider: size, location, design & management
- No minimum ratios, maximums
- Disconnect parking from buildings, manage by district
- Park ‘for sale’ nearly conventionally
TODs behave Differently

**TOD housing generates 50% less traffic than conventional housing**

- **Multifamily TOD**: 3.55 Trips
- **Multifamily TOD**: 6.67 Trips
- **Single Family**: 10 Trips
TODs create less traffic

- **TOD residents are:**
  - Twice as likely not to own a car as US Households
  - 5 times more likely to commute by transit than others in region

- **Self-selection:**
  - Responsible for up to 40% of TOD ridership bonus
TODs
maximize
mixed use
Principles for TOD

Mix of uses

- Planners require it too often
- Vertical or Horizontal
- Most difficult TOD element
- Great TOD benefits
  - More walking + ridership
  - Reduced auto-use
- Prohibit auto-oriented uses closest to transit
Pearl District Portland

- Mixed-Use TOD
- Public & private partnership
  - Housing
  - Infrastructure
  - Parks
- Since 1997
- $1B+ Development
- 3,000+ units
- Tight parking
- 25% affordable
Density makes TOD viable
Principles for TOD

Medium to higher density

- Greater than community average
- Distance to transit matters
- To support transit on average:
  - 6 to 7 du/ac for frequent bus
  - 9 to 25 du/ac for rapid transit
- Minimum density effective tool
Market Common
Clarendon, VA

- US Best practice
  - 240k retail
  - 100k office
  - 300 apartments
  - 87 townhomes
- Opened in Nov ‘01
  - 100% leased
- Worked closely with neighborhoods
“Ideal TOD” reduces developer profit

Will Flessig’s analysis:

[Diagram showing Developer decision model with axes of Return on investment and Developer decision model, with areas labeled as Investor Willingness to Fund: Willing and Unwilling, demonstrating different market conditions: Weak Market and Strong Market, and different developer profit scenarios including Suburban developer profit and TOD developer profit with "Ideal TOD" zoning.]
Transit Alone Does Not Create Value

Value results from:

- Overall development market
- Land available for development
- Supportive plans & policies
- Designing transit for value
TOD & Property Values

- Washington, DC
  + $2 to $4 per foot for commercial
- San Jose
  + 23% for commercial
- Portland
  + 10% rent premiums
- Dallas
  + 39% for residential
  + 53% for office values
Transit Rent Premium

- Locations within ½ mile of transit command much higher rents
- Washington D.C.  
  +28% rent premium
- Northern Virginia & Montgomery Co  
  + 40% rent premium

CoStar Group 2011
½ mile is the TOD walkshed.
Principles for TOD

Compact pedestrian-oriented

- Block sizes for 5-minute walk
  - Max of 400 ft block face
- Orient buildings to sidewalks
- Calm streets
- Active street edges with wider sidewalks
- Retail & office closet to transit
Distance & Mode Share

WMATA Survey – *transit share decreases with distance*

- First 600 ft really matters
- Office mode share drops about 1% every 100 ft
- ½ mile residential share 200% higher than office

<table>
<thead>
<tr>
<th>Distance from Station</th>
<th>Metrorail Mode Share</th>
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<tbody>
<tr>
<td></td>
<td>Office</td>
</tr>
<tr>
<td>At Station</td>
<td>35%</td>
</tr>
<tr>
<td>1/4 mile</td>
<td>23%</td>
</tr>
<tr>
<td>1/2 mile</td>
<td>10%</td>
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*Lesson: put office & retail closest to station*
getting the planning right is sufficient
Keys To TOD Success: Implementation Focus

- Planning based in development reality
- Apply the power of partnerships
- Market driven, not transit driven TOD
- Designed for the pedestrian
Vision for what you want

Overlake Transit Village, Redmond, WA
Clear path & roles to get there

phasing

2012

refined plan
site control:
- initial streets
- vault
infrastructure:
- transit
- street
catalyst project
- opportunity sites
pedestrian bridge
future development

partnerships

2012

city of redmond implementation team
sound transit
landowners
development community
key stakeholders

2023

Overlake Transit Village, Implementation Plan, Redmond, WA
TOD
MYTHS

These ideas won’t work here
Firm base to draw on

- Market preference for urban housing
- Lot’s of experience to draw from
- Demographics trends are favorable
- Federal policy support

US TOD SNAPSHOT

- Portland: $11B+ TOD
- Denver: 13k TOD Units
- Minneapolis: $750M TOD
- Hudson-Bergen: $5B Housing
- Los Angeles: 150 TODs
- San Diego: 16 TODs
- Baltimore: $1B+ TOD
- Charlotte: $1.5B TOD forecast
We need rail before we do TOD.
Don’t need to wait for transit

Same planning & development fundamentals apply

- Transit-Oriented
- Pedestrian-Oriented
- Development-Oriented
TOD EVOLUTION

The TOD plan

Rail + walkable streets

Parks + TOD demonstration project

Built TOD district
With New Starts
Land Use Matters Even More

TEA-21
- Congress raised the land use bar
- Land use 40% project justification

MAP-21
- Congress raised the land use bar further
- One of three key factors
Four steps to transformative change
Transformative Planning Steps

1. Density to urbanity
2. Separation to mix
3. Sites to districts
4. Hard & illegal to legal & easy
Four things you can do

1. Density to urbanity
   - Change the conversation, from density to urbanity
   - Generally denser + transit-shaped
   - Parking is key, about less, not about more

2. Separation to mix

3. Sites to districts

4. Hard & illegal to legal & easy
Vancouver, BC

*The Economist*: World’s most livable city, 6 years in a row

- 10 years:
  - total trips up 23%
  - vehicle trips down 10%

Compact growth at stations:

- +11,500 high density dwellings 1981 – 2006
- $5 B private investment 1981 – 1989
Four things you can do

1. Density to urbanity

2. Separation to mix

3. Sites to districts

4. Hard & illegal to legal & easy

- Become an 18 hr city
- Mixed use corridors & nodes
- Add urban living infrastructure
- Calm your streets, walking / cycling #1
Pentagon Row
Arlington, VA

- $92m project
- 18-acres
  - 504 Apartments
  - 300k retail
- 85% parking underground
- Grocery store
Four things you can do

1. Density to urbanity
2. Separation to mix
3. Sites to districts
4. Hard & illegal to legal & easy

- 20-minute neighborhoods
  - walk to what you need
- Shift the scale of planning, create places
  - Focused TOD plans vs broader community plans
Pearl District, Portland

- ‘92 River District Plan
- ‘97 Master Dev’lp Agreement

- ’97 1st new housing
- ‘01 Streetcar
Four things you can do

1. Density to urbanity
2. Separation to mix
3. Sites to districts
4. Hard & illegal to legal & easy

- Transparent planning
- TOD plans for all rail stops & major bus corridors
- Make TOD an outright permitted use
Westside Subway Extension

City of Los Angeles Stations:
- Keeping density at planned levels
- No change to single family
- Apply Rosslyn-Ballston TOD strategies

Compared to trend, on average results in:
- Vehicle travel reduction of nearly 20%
Community building + people moving

- Trends are on your side
- Plan for the pedestrian
- Leverage the power of partnerships
- Raise your aspirations
- Make TOD legal & easy
- Develop a strategy equal to the task