Overview

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

WMATA's Branch Avenue Station
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
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
- 1/3rd willing to pay for the ability to walk
- Huge market: 80m Gen Y v 76m Boomers
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
Principles for TOD

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

The Round

Not This

This
More than a Parcel, More than a Project

- Create a walkable district
  - Area w/in 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
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 auto traffic than conventional housing

Daily Vehicle Trips

- Multifamily TOD: 3.55 Trips
- Multifamily TOD: 6.67 Trips
- Single Family: 10 Trips

TODs behave Differently

TOD housing generates 50% less auto traffic than conventional housing
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
TOD MYTHS

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
- 22% affordable
Density makes TOD viable
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
Transit Alone Does Not Create Value

Value results from:

- Overall development market
- Land available for development
- Supportive plans & policies
- Designing transit for value
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
Washington 2013
“TOD Boom

Since recession the hot market is Metro accessible land:

- 84% of regions new office w/in ¼ mile of Metro
- 25K MF units 2012 & ‘13
- Since ‘04 new NoMa station increased land values 330%
- 84% regions land value on 4% of land near Metro

The Washington Post 10.13.13
TriMet Blue Line study – Hillsboro to Gresham
Found a 36% premium over & above what could otherwise be expected without LRT

– Blue Line LRT: 36% increased rate of & density of development
$\frac{1}{2}$ 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>
</tr>
</thead>
<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>
</tr>
</tbody>
</table>

*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

41st & Fox Commuter Rail Station Denver
Vision for what you want

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

phasing

2012

refined plan

2023

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

GB place making
Get More Impact From Public TOD Funding

- Don’t subsidize just for being next to transit
- Insist on higher performance TOD
  - Density / mix / design / affordability / green
- Demonstrate ‘proof of concept’
  - Continuously move the market, provide new comps
- Catalyze new investment
- Select projects that can be replicated

Portland TOD Demonstration Projects
TOD
MYTHS

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

1. The TOD plan
2. Rail + walkable streets
3. Parks + TOD demonstration project
4. Built TOD district
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
- Dallas: $4.7B TOD
- Charlotte: $1.5B TOD forecast
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