

Proposal for a Transit Oriented Development Policy Study

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Concept:

To establish a short term research and analysis effort aimed at providing significant policy direction to decision makers around various issues relative to real estate development near mass transit. The goal is to implement a rational process of planning, designing, and allocating resources for new construction projects in proximity of light rail station areas, otherwise known as Transit Oriented Developments, thereby, maximizing the community benefit of public and private investment.

Issues:

Housing: The rising cost of transportation, coupled with already expensive housing, has become the last straw to break the back of working families. Proximity to mass transit, particularly Light Rail, is essential for the strategic placement of affordable housing at or near station areas as **FasTracks** evolves throughout the metro region. Residents at TOD sites have the advantage of accessing jobs throughout the region, without the need of a car, thereby reducing living costs, urban sprawl, and our dependence on fossil fuels.

Commercial: Not every TOD will become a Gates Factory-type redevelopment. The scale and content of each station location will vary, as they should. These sites need to provide the appropriate transition of uses, i.e., new concentrated mixed uses blending into an existing neighborhood context with improved infrastructure and public amenities.

Public Spaces & Infrastructure: The scale of new TOD activity is unprecedented in our region and the opportunity for increased public facilities needs to be evaluated and proposed, with equal or greater importance, for every private sector development project. Too often, without guidance, a developer may determine the placement and design of these elements only within the context of their specific project. Who represents the greater community position?

Our community has a unique opportunity to establish both a public process and an implementation mechanism to address such concerns, and help guide RTD and local decision makers as they create policies for the build-out of these important urban centers.

Status:

Although planned for many years, the RTD light rail system is rapidly developing into neighborhoods and commercial corridors. Living near transit has become increasingly desirable, particularly among families with few or no children, and the elderly. Commercial uses are attracted by the large number of commuters, and new, on site, residential development. The real estate markets are responding accordingly, with significant speculation and land cost escalation.

In many cases, future TOD sites are becoming areas of change with proposed higher densities and major re-zoning. Planners have not been able to keep up with the pace of change, and these areas are subject to become parceled out for individual (usually high end), and sporadic re-development opportunities. Left to its own devices, the free-market will push values upward due to the inherent tendency for land to seek its highest and best use. Currently, zoning requests have preceded land use plans, leaving the proposed project undefined and subject to redesign, potentially in conflict with surrounding neighborhoods.

Stakeholders:

FasTracks is a publicly-funded initiative, providing huge subsidy for the expansion of the light rail system. **Taxpayers** not only expect to have improved access to the system, but also, that the “public good” will be evident in the transformation of the environments around the stations. The **municipalities** covered by the system should be concerned about gentrification, displacement, inclusionary housing, traffic patterns, economic development, and other planning issues. **Developers** are currently faced with challenges around market demand, housing needs, infrastructure, and the lack of planning policy for TOD’s. **RTD** is charged with the selection and preliminary planning of station areas, disposing of real estate assets, increasing ridership and managing the system. **Workforce families**, the **elderly**, and others of limited income need the mobility provided by public transportation to survive and participate in a productive way in our community.

Action:

An independent, third party entity is needed to review, analyze and propose a TOD development strategy for the metro region. Perhaps the establishment of a **RTD Development Authority**, an independent appointed body that could serve as the administrative vehicle to negotiate real estate transaction on behalf of the transit company, is one option. Using the input from stakeholders, and primarily practicing developers, this entity could produce a realistic approach to balancing housing, community, and commercial needs respective of the inherent development pressures of a TOD site. The feasibility and statutory requirements of such an entity needs to be researched and reported, followed by an Action Plan for implementation if warranted.

Proposed Process:

A small consultant team could produce, within a year, the feasibility of this approach and subsequently, a TOD policy guide for consideration by RTD and local leaders. The consultants will create real world development models, addressing mixed use scenarios with diverse housing components. These models will suggest housing types, densities, income levels and subsidy needs. Working with RTD and planning staffs, they will also review inclusionary requirements and incentives, and other local housing strategies in relation to TODs. Most importantly, the team would review what tools are

needed by the development community to implement local strategies and complete successful real estate ventures.

Addressed in the evaluation, would be issues such as:

- Creation of a Development Authority
- Land banking
- Parking concerns and revenue potential
- Mixed use strategies
- Affordable housing requirements, subsidies & incentives
- Neighborhood assimilation
- Overlay planning
- Affordable housing financing

Outcomes:

- This process will produce a clear understanding of the dynamics of TOD, and help communities reach their economic development, affordable housing and sustainable neighborhood goals.
- If recommended, a guide of initial steps to creating a RTD Development Authority will be proposed.
- Developers will be provided specific directives and planning guidelines, and the ability to negotiate for the appropriate entitlements early on.
- Neighborhoods will evolve in a more rational way, relevant to localized need.
- RTD will be more successful in reaching their ridership and financial goals, and in maximizing their return from assets.
- A wider range of housing types, serving more diverse markets, will be produced at station areas.

Ultimately, private developers will undertake the build-out of over 50 TOD's identified along the light rail line. How they go about this process depends on the vision and development policies imposed by RTD and local government. An objective analysis of best practices and community needs would benefit both decision makers and developers, and provide much needed **predictability** in project planning.