

Transit Agency Partnering In Supporting Development Around Rail Transit Stations

Roderick B. Diaz
Booz Allen & Hamilton, Inc.
McLean, VA

Christopher Porter
Cambridge Systematics
Cambridge, MA

ABSTRACT

With the growth of rail transit in the United States, transit agencies are engaging in a number of creative partnerships to support transit-oriented developments (TODs) around rail transit stations. Recent experience with rail projects in the United States reveals a number of strategies that transit agencies use to support TODs. This report presents a summary of recent transit agency practice with transit-oriented development. This summary is based on materials produced by each agency highlighting their approaches to supporting transit-oriented developments and on interviews with key staff at each agency.

This report reveals that transit agencies support TODs through two primary activities – development implementation and station area planning. Implementing actual development projects has been the traditional means through which transit agencies have supported TOD, either through direct development or through joint development partnerships with private developers. Increasingly, joint development programs are undertaking sophisticated strategies such as marketing programs and analyses of real estate competitiveness to solicit developer interest. Transit agencies are also cooperating increasingly with local planning agencies to develop local land use policies and zoning ordinances that support transit-oriented development. This agency cooperation is evidenced through such programs as formal station area planning programs, liaisons with planning agencies, and outreach efforts to corridor cities. The initiative of transit agencies in supporting transit-oriented development both through cooperation with developers and with local planning agencies contributes a number of benefits, including increased ridership and revenue, the reduction of urban sprawl, and the re-orientation of urban development patterns around rail transit.

INTRODUCTION

The experience of a the new generation of rail transit system highlights the powerful role that transit investments play in channeling the urban development within which the

rail transit investment is made. Focusing development around rail stations has become a significant way to create options for accessibility, to support community and regional goals for quality of life, and to support the financial success of the rail transit investment. Capitalizing upon this role, however, requires active participation of transit agencies. Transit agencies have increasingly taken the initiative in supporting transit-oriented development as a way to capitalize on the benefit that a rail transit investment brings and to allow communities to realize the real benefits of the rail investment.

The increased level of participation of transit agencies in promoting transit-oriented development involves greater cooperation with developers, with public agencies, and with the public. Transit agencies have worked in creative ways to support transit-oriented development through two primary activities – joint development and participation in station area planning. This report presents case studies of transit agency activity in joint development and station area planning. The case studies reveal how transit agencies have taken a more active and cooperative role in affecting the future development of communities in the wake of a new transit investment. They also reveal how different contexts warrant different approaches and solutions in implementing TOD.

CASE STUDIES

Seven case studies highlight transit agency partnering to promote transit-oriented development. These transit agencies were selected to present a cross-section of noteworthy practices in the transit industry to promote more transit-oriented development around rail transit investments. Because most of the agency strategies reviewed are being applied to relatively new rail transit systems or planned rail transit systems, the case studies present a toolbox of approaches that can be readily applied to any new rail transit investment. In addition, these case studies highlight common factors that contribute to successful partnerships to promote transit oriented development.

These case studies were developed through a review of documents produced by the various agencies describing their approach to joint development and station area planning efforts. In addition, key staff from each transit agency were interviewed to collect background information and to trace the evolution of each transit agency's approach.

Joint development programs are presented for two agencies:

- Dallas Area Rapid Transit (Dallas, Texas)
- Metropolitan Transit Development Board (San Diego, California)

Support for station area planning efforts are presented for two additional transit agencies:

- Triangle Transit Authority (Raleigh-Durham North Carolina)
- Orange County Transportation Authority (Orange County, California)

Dallas Area Rapid Transit (Dallas, Texas)

Coordination as a key element of partnership among internal departments and with the development community

Dallas Area Rapid Transit (DART) currently promotes development around its rail stations through a program called the Economic Development Program. The Economic Development Program is a program sponsored by DART to encourage development and redevelopment around the DART light rail stations to the Dallas area development community. The two most highly visible components of the Economic Development Program are a development information packet and DART Rail Economic Development Conferences / Summits. These two major program items focus on dissemination of information to the development community, but engage developers in two distinct ways.

The developer information packet is assembled to advertise sites and development opportunities to developers. For stations along both the existing light rail lines and along planned future extensions, DART developed a detailed station profile. Each station profile includes a description of the station site, connection to transportation services, and the environment of the immediate station area. In addition the profiles contained detailed demographic information such as station area population, employment, and income. Most importantly for developers, the station profiles include a distribution of existing land uses and descriptions of potential development sites around stations. Furthermore, these station profiles highlight any zoning, financial support, and tax abatement incentives associated with development sites.

DART's proactive stance toward promoting joint development is even more evident in its coordination of Economic Development Summits. DART organizes these Economic Development workshops in active partnership with local municipalities and the local Chambers of Commerce. The summits serve as forum to share information about transit-oriented development by inviting members of the development community and the planning community to share experiences and insights into the unique nature of developing projects to capitalize on proximity to rail service. In addition, the summits also serve as another venue to advertise opportunities for developers to jointly develop sites around DART's light rail stations. By early 1999, DART has already coordinated two Economic Development Summits with the Greater Dallas Chamber of Commerce and the Plano Economic Development Board.

The level of coordination evident in the DART Economic Development Program's external activities is present in its internal activities as well. The Economic Development Program involves effort from DART's Departments of Planning, Real Estate, Project Management, Operations, Legal, Finance, and Community Affairs. The program follows a formal process which considers development proposals through a six step process beginning with a Project Proposal phase, and continuing with Visioning, Analysis, Negotiations, Approval, and Implementation. For each of these steps, the DART Executive Directors has designated one department to lead and coordinate activities within DART. Furthermore, the Board of Directors has placed overall supervision of the entire Economic Development process with the Planning and Development Department. These designations have brought a high level of organization to the economic development process, which, in turn, has allowed DART to act more quickly and decisively in responding to developer proposals.

It is important to note that the organization of the Economic Development Program was not due to an explicit design. Rather, it grew out of the initial activities of DART's Planning Department in its project planning for the System Update and for the Northeast Corridor. The development of station area market profiles began soon thereafter in 1996 and more formal activities of the Economic Development Program began in the summer of 1997. Through this evolution, program activities gradually incorporated the efforts of additional departments within DART. Responsive decisions by the Board to organize and add structure to these activities and to name the Planning Department as a central coordinating department facilitated the formalization of the Economic Development Program. This experience

highlights the fact that successful joint development programs do not need to be planned to incorporate

Lessons Learned

- Coordination both among internal departments and divisions and between the transit agency and external parties (cities, business organizations, and developers) creates an organization responsive enough to pursue joint development activities.
- Strong and consistent direction from upper management and the governing body of an agency can help to clarify the mission of a joint development program and to facilitate internal cooperation.
- Strong joint development programs can emerge from an atmosphere of employee empowerment. For example, DART's Economic Development Program developed from initial activities in the agency's Planning Department.

Metropolitan Transit Development Board (San Diego, California)

Flexible approaches to project development through openness with the development community

To support transit-oriented joint development around its light rail stations, the Metropolitan Transit Development Board (MTDB) of San Diego, California follows a free-form approach. The MTDB activities to support joint development are defined not within a formal program but rather within a process to implement joint development. The MTDB's Policy No. 19 on Joint Use and Development Property sets a framework for the implementation of joint development activities. While the policy does dictate how the MTDB should respond to proposals submitted by developers, it does not set an agenda or a program to pursue such proposals. The MTDB does assign certain staff to manage joint development activities. The small size of the MTDB staff, however, facilitates cooperation with managers of other projects and programs.

MTDB's joint development process pursues multiple goals and objectives. In fact, project proposals must meet a minimum set of criteria before being considered. Projects must not negatively impact present or future public transportation facilities, must be consistent with regional and local community policies and plans, and must demonstrate a fiscal benefit to the MTDB. This fiscal benefit, however, is not the sole driving motivator of the MTDB's

joint development decisions. There is no explicit policy to pursue the maximum financial benefit to the agency. In fact, project selection will be based on economic development potential to the MTDB and the community, increased accessibility to transportation, and responsiveness to community needs for housing, employment, services or recreational facilities. Often these other factors override the desire to generate maximum revenue, but instead support the development of transit-oriented origin and destination uses along the San Diego light rail system and bus corridors. The multiplicity of goals and objectives and of project criteria makes the process less a series of hurdles for development proposals but more a chance for the agency to express its principles through the approval and development of a project.

The MTDB's flexible approach has also enabled the agency's board and staff to learn through the process. The MTDB has often used Requests for Qualifications and Requests for Proposals to gauge the condition of the development community and the types and uses that certain sites can support in the development market at the time. This has enabled the MTDB to assess the development value of its properties and to assess the potential to incorporate certain uses into development projects. The MTDB's approach to joint development has also allowed it to adapt to many different types of development projects. This is demonstrated by the range of projects it has undertaken. Since the initiation of service on the San Diego Trolley, the MTDB has developed office buildings, educational facilities, housing projects, mixed use projects with retail, cultural facilities.

Lessons Learned

- Ad hoc joint development processes can provide a strong presence in joint development partnership as long as roles and procedures are clearly defined.
- Flexible policies can allow for a broad range of uses that can provide a variety of land uses along a rail transit system investment. Maximum financial benefit does not always lead to maximum benefits for the public.
- There are often multiple approaches to a site with development potential. The response of the development community can often serve to reveal innovative solutions.

Triangle Transit Authority (Raleigh – Durham, North Carolina)

Tools, education, and outreach to facilitate transit-oriented land use planning

Faced with growing suburban sprawl, highway congestion, and related problems associated with rapid development, the Raleigh-Durham region of North Carolina undertook a series of studies on regional transit and land use alternatives. By 1994, this process resulted in a recommended regional rail system in conjunction with promotion of compact, transit-oriented development. The recommended Phase I Regional Rail system, 35 miles in length, would connect Durham, the Research Triangle Park, Raleigh, and other major activity centers using diesel multiple unit technology on existing railroad right-of-way.

In response to a strong concern over existing development trends among citizens, local government, and the private sector, planning for the Phase I service has included a strong focus on land use policies and station area development. The 1989 enabling legislation for the Triangle Transit Authority (TTA), the regional transit service provider, instructs the agency to “enhance mobility and encourage sound growth patterns” in addition to providing regional transit service. The authority has responded to this directive by leading planning, education, and outreach activities to facilitate growth patterns that are more supportive of transit.

TTA’s land use planning activities have included the following:

- Beginning in 1992 and concluding in 1995, the authority spearheaded an extensive alternatives analysis, the Triangle Fixed Guideway Study, that included the development and evaluation of alternative regional land use and transportation scenarios. To initiate the study, TTA hosted a land use and transportation conference with over 360 people attending. Participants learned about local land use and transportation initiatives and listened to presentations on transit systems and supportive development strategies in comparable cities. The study process also included a series of workshops and meetings to inform and receive guidance from technical team study participants, elected officials, and a citizens advisory group.
- In conjunction with conceptual engineering for the Phase I rail project, the authority initiated a three step process to facilitate compact, mixed-use, transit

supportive development: the preparation of Station Area Development Guidelines, the development of conceptual station plans, and support for local governments preparing station area plans. The guidelines include a station area opportunities assessment, transit-oriented design principles, and tools to encourage transit-oriented development. Published in 1997, the guidelines have been distributed to the region’s local governments, MPOs, developers, and other interested parties. TTA included the development community in preparation of the guidelines through two developers’ forums, which were held both to educate the development community and to receive input on the content and uses of the guidelines. A summary of the guidelines has also been widely distributed to the public through TTA’s Community Involvement program and Speaker’s Bureau.

- The selection and refinement of station locations by the authority, working in conjunction with local government, has been driven in part by the market and transit-supportive development potential of sites. During the alternatives analysis work, station locations were identified on the basis of being activity generators with the ability to sustain future regional growth at higher, transit-supportive densities. More detailed land use and development feasibility information has been gathered and evaluated in subsequent phases of the planning process. Conceptual plans for the 16 Phase I regional rail stations will be included in the Draft Environmental Impact Statement anticipated to be ready by Summer 1999.
- In addition to being used as an educational tool, the Station Area Development Guidelines are serving as a “tool kit” for local jurisdictions as they revise land use policies, zoning regulations, and development practices. Over the course of 1999 and 2000, the Cities of Raleigh and Durham and the Town of Cary are taking a variety of approaches to encourage transit-oriented development. In the City of Durham, for example, zoning regulations for a “Transit-Oriented Development – Compact Neighborhood Overlay District” are anticipated to be adopted by May 1999. These zoning regulations will support higher-density development and pedestrian-oriented design in transit station areas and other compact neighborhoods, all of which are designated in the city’s adopted comprehensive plan.

- Finally, to provide the resources to assist with planning at the local level, TTA has developed internal expertise by maintaining a full-time planner with a landscape architecture background on staff. This position focuses on transit-oriented land use and station area planning issues and emphasizes outreach to the community, local agencies, and developers. TTA has also recently hired a second landscape architectural planner who focuses specifically on station area planning. Together, these efforts reflect a coordinated and focused effort on the part of the authority in support of land use as well as transit system planning.

Lessons Learned

- Education and outreach sponsored by transit agencies can form the backbone of a collective learning process for a region.
- The development market can contribute to the refinement of plans for a rail transit project.
- Standardized guidelines can lead to individualized solutions based upon local contexts.
- Enhancing internal capability in promoting transit-oriented development can add momentum to the development of transit-oriented station area plans.

Orange County, California: Orange County Transportation Authority

Cooperative planning and technical assistance

The Orange County Transportation Authority (OCTA) is conducting preliminary engineering on a proposed 28-mile, 27-station fixed-guideway transit line running north-south through central Orange County from Fullerton to Irvine. The system would connect major employment and activity centers as well as areas of high residential density in seven communities. In order to maximize the effectiveness of the transit investment, OCTA has recognized the need to link land use development and design with the transit system. At the same time, the number of jurisdictions in the corridor and the automobile-oriented nature of existing development create a unique challenge in achieving system-wide transit-supportive development patterns.

In response to these challenges the authority has taken a cooperative approach to land use planning. The authority has implemented a strong community involvement program, including a significant land use focus, with a level of effort

similar to that of the technical component of the fixed guideway study. The authority is also providing technical and financial assistance to local jurisdictions for transit-oriented station-area planning. OCTA's activities specifically include:

- An extensive public outreach and community participation program. The program includes two components: (1) a general public effort with activities targeted to communities in the corridor as well as a countywide educational element; and (2) a governmental relations effort targeting local cities as well as the county's federal and state legislators. Among other elements, these outreach efforts have included a series of workshops on transit-oriented development, attended by the cities and private developers, and tours of other cities with urban rail systems focusing on the land use and urban design component of the system. The authority is also holding a series of roundtable discussions with real estate developers and the business community. The roundtables are intended both to provide information to the development community on system concepts and opportunities, and to obtain feedback on key issues and concerns related to station area development.
- A "milestone" decision making process, adopted in March 1998, that includes land use and urban design planning elements. As part of the Milestone 2 report, the project's design consultant team prepared station area guidelines as a reference for city staff and consultants in determining station locations. The team is now preparing the Milestone 5 report on urban design, development, right-of-way, and land use policies for consideration by the OCTA Board in April 1999. The report includes an "Opportunity/Impact Workbook" as a primer for use by cities; an inventory of applicable strategies for land use, urban design, and economic development; and recommended transit-supportive corridor policies and zoning regulations. The report is being developed in cooperation with each of the corridor cities.
- Provision of funding to the corridor cities to leverage their active participation in conceptual engineering, the DEIS/DEIR process, and land use planning. Each city has signed a cooperative agreement with OCTA that identifies the responsibilities of OCTA and the cities in planning

for the transit system. The agreement indicates the intention of each city of conducting station area land use planning within an identified time frame. The agreement further requires that station area planning activities be conducted before OCTA approves the DEIS/DEIR and the locally preferred alternative (anticipated in December, 1999) and commits to funding for the final EIS/EIR and final engineering (anticipated in December, 2000). Identification of joint development opportunities is also required.

The cooperative agreements are particularly important to OCTA given the need for local involvement in developing and implementing transit-supportive land use policies. Providing funding for station-area planning activities allows local jurisdictions to become more actively involved in the planning process and to take a higher degree of ownership over the process. OCTA's community involvement activities, combined with its technical support for station area planning, are maximizing the likelihood that local policies, zoning regulations, and development practices will be revised to achieve transit-supportive development patterns.

Lessons Learned:

- An active community involvement program that engages a broad array of stakeholders can contribute a forum for an exchange of ideas through the development of plans.
- Periodic reporting can make progress on developing station area plans more apparent to all involved. These checkpoints provide useful opportunities to re-examine progress.
- Transit agency initiative can build goodwill among parties involved and can add to the environment of cooperation.

CONCLUSIONS

The experiences of these seven agencies represent a broad cross-section of the practice of supporting transit-oriented development around rail investments. The varied experiences highlight how policies are affected by the context of each region. Developing transit-oriented development in these different regions have different needs and desires. Transit agencies must therefore fulfill different roles with respect to its partners in transit-oriented development. Depending on the context a transit agency must be a provider of information, an active development partner, a deal maker,

an advocate, a regulator, and an educator. These case studies, however, suggest that there are some central concepts that may facilitate the success of a partnership for transit-oriented development in any context.

- Internal organization and clarity of mission are essential for establishing strong partnerships to support transit-oriented development. The most successful programs to support transit-oriented development appeared to benefit from a clearly stated policy or ordinance authorizing the activities of that program. Strong support from upper management and firm decisions by the agency's governing body remove doubt about the mission of promoting transit-oriented development. The MTDB's Policy No. 19 is a good example of such core policies. This level of clarity and consensus also brings consistency to agency policies and solidifies commitments to transit-oriented development.
- Information is a precious commodity, but is most valuable when shared. Ignorance often leads to lack of action. This is especially true in regions where rail transit is a new phenomenon. Fear of the unknown or of making the first step is often the most significant barrier to creating significant momentum for transit-oriented development. Transit agencies, more often than not, have the information that developers, cities, and the public needs to buy into the concept of transit-oriented development. The sharing of information is thus one of the most important first steps in forming a partnership to support transit-oriented development. Orange County's "Opportunity / Impact Workbook" and market profile summaries associated with a few joint development programs illustrate the power of shared information.
- Partnerships to support transit-oriented development are learning relationships. Agencies cannot be expected to know all the answers from the outset. Transit agencies can learn about the development market through developer proposals. Developers and the public can learn about the potential of transit-oriented development from information provided by the transit agencies. In addition, the successful allocation of roles and responsibilities often evolve over time and are only revealed through shared experience.

- The market matters. Transit-oriented development does not occur in a vacuum. All development functions within a broader regional development market. Transit agencies planning for development around transit stations. The options available to transit agencies are subject to the pace and mood of the development market. Transit station siting in the Research Triangle area of North Carolina has benefited from analyses of market development pressures.
- Fostering internal expertise and leadership is key. Developing and fostering staff to support transit-oriented development can make facilitate the progress of the program. Often, innovative ideas flow from agency staff when management empowers them to act on a good idea, as was the case with joint development activities in Dallas and San Diego. Identifying this creativity and harnessing it for the good of an agency program poses a special challenge. As the agency program or policies evolve, it is often important to place authority with the program with a single individual or group. This reduces the opportunity for duplicity of effort or even conflicts. It also provides for a consistent internal advocate for transit-oriented development issues. Identifying internal leaders also has the added benefit of providing a central point of contact for all external entities and personalizes the agency's efforts by putting a "face" behind the program.

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The authors are responsible for the content and conclusions discussed in this paper. These may not be viewed to represent the opinions and policies of the Federal Transit Administration, or any of the agencies cited.