

THE NEXT WEST – AFFORDABLE HOUSING AND TRANSIT ORIENTED DEVELOPMENT

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INTRODUCTION

- Thank you, Sarah (Rockwell - partner Kaplan, Kirsch, and Rockwell), and my fellow panelists, Rick Garcia (HUD regional director), and Chuck Perry (Perry-Rose).
- My role today is to provide a brief national overview of Affordable Housing and Transit-Oriented Development as it applies to the RMLUI's theme this year of "The Next West: Landscapes, Livelihoods and the Future of the Rocky Mountain Region."
- This presentation will include a 'map' of the current financial and regulatory environments in re the policies and programs from the federal standpoint, and some of the main actors involved in expanding those opportunities locally.
- I will describe the challenges outstanding but also encourage you to get involved in partnership with your local, regional, and State , planning, housing, transit counterparts since any new layer of financing takes time to develop. Get involved in the 'conversation' now! ***No organization is too small to grow their sustainability.***

The Central Questions to Consider

- The *Title Page* shows the 10th and Osage light rail station in Denver. Across the street is the 270-unit South Lincoln Homes, ably managed by the Denver Housing Authority (see next slide). It is in the La Alma neighborhood that also contains DHA's North Lincoln Homes, retail, light industry, an arts district, a major health center, ECE to high school 'campus', a major university campus, parks, low to moderate priced homes, close to the Central Business District, and in need of redevelopment as a mixed income TOD. It has just undergone a major master planning process. It is now looking for financing.
- *So: what additional financing can DHA and other PHAs, large and small, hope to find through the new HUD-DOT-EPA partnership? Or other mechanisms? What has to happen?*

South Lincoln

STATION AREA PLAN

MASTER PLAN

FINAL PREFERRED PLAN: BIRDSEYE VIEW



LIVABILITY PRINCIPLES

- The federal Partnership for Sustainable Communities recently established six livability principles that will act as a foundation for interagency coordination for EPA, HUD, and DOT (and hopefully other departments):

- 1. Provide more transportation choices.**
- 2. Promote equitable, affordable housing.**
- 3. Enhance economic competitiveness.**
- 4. Support existing communities.**
- 5. Coordinate policies and leverage investment.**
- 6. Value communities and neighborhoods.**

- Again, does any of this matter with regard to South Lincoln and similar efforts throughout the Rocky Mountain region, given the present national situation? What can we do? Why TOD?



First, The Possibilities: Transit-oriented Development has generated new thinking, new partners, and new housing styles. Sustainable. Neighborhoods. Livability.

Regional Transit Systems and TOD Demand

	Existing Stations 2000	Future Stations Planned	TOD Households 2000	TOD Households 2030	Increase in Demand
New York	962	30	2,951,779	5,371,866	182%
Chicago	418	9	816,351	1,503,638	184%
SF Bay Area	305	19	429,145	832,418	194%
Philadelphia	337	28	496,141	809,058	163%
Washington D.C.	169	9	252,227	688,582	273%
Portland, OR	110	22	87,465	279,891	320%
Dallas	54	23	57,017	270,676	475%
Denver Metro	27	70	18,600	138,000	742%
Salt Lake City	24	12	24,732	53,650	216%
Seattle	23	38	86,408	124,575	144%
San Diego	69	21	96,159	174,000	180%
Phoenix	0	30	29,116	149,360	512%

TOD TYPOLOGY – NO ONE SIZE FITS ALL

TOD TYPOLOGY	DESIRED LAND USE MIX	DESIRED HOUSING TYPES	COMMERCIAL/ EMPLOYMENT TYPES	PROPOSED SCALE	TRANSIT SYSTEM FUNCTION
DOWNTOWN	Office, Retail, Residential, Entertainment, Civic Uses	Multi-family and Loft	Prime office and shopping location	Five stories and above	Inter-modal, transit hub, regional feeders
MAJOR URBAN CENTER	Office, Retail, Residential, Entertainment	Multi-family and Townhome	Employment emphasis, 250k/sq/f office; 50k/sq/f retail	Five stories and above	Sub-regional destination; some park 'n ride
URBAN CENTER	Office, Retail, Residential	Multi-family and Townhome	Limited office, but more sq/f retail	Three stories	Ditto, with circulators
URBAN NEIGHBORHOOD	Residential, Neighborhood Retail	Multi-family, Townhome, Single-family	Local retail, no more than 50K sq.ft.	2-7 stories	N'hood walk-up station, bus connections
COMMUTER TOWN CENTER	Office, Retail, Residential	Multi-family, Townhome, Single-family	Local and commuter serving	2-7 stories	Capture station, large park 'n ride, bus circulators
MAIN STREET	Residential, N'hood Retail	Multi-family	Retail in-fill	2-7 stories	Bus or streetcar corridors, walk-up.
CAMPUS/ SPECIAL EVENTS	Campus, Sports Facilities	Limited Multi-family	Limited Office Retail	Varies	Commuter with large parking lots

DEFINITIONS: Transit-oriented Development and Joint Development are Sometimes used Inter-changeably, but they are Different, albeit related.

- **TOC or Transit-Oriented Corridor (aka Sustainable Corridor, aka etc.)** is the macro dimension of the TOD. More recently, DOT and HUD have recognized that it is not just enough to define activity and incentives at nodes along the corridor within $\frac{1}{4}$ or $\frac{1}{2}$ mile, but that there are beneficial extensions that take in the necessary activities that persons do in a real-time way. It would consist of a cluster of activities and functions: retail, educational, recreational, jobs, health – but they would be planned in such a way as to take full advantage of the walking, biking, and transit choices instead of the ever-present car usage. It would mirror an optimal place on the Livability Index.
- **Transit-oriented Development** = strategically planned compact, mixed use development near transit facilities and walking environments, usually a neighborhood in size and character, led by a public agency;
- **Joint Development** = a form of TOD, often project specific, taking place on, above, or adjacent to transit agency property. Involves common use for transit and non-transit purposes, usually a public-private partnership.

Benefits of Transit Joint Development

- Revenue-sharing

- Benefits the transit agency by securing a stream of revenue
- *Examples:*
 - . land leases
 - . air rights development
 - . station interface or connection-fee programs
 - . concession leases

- Cost-sharing

- Relieves transit authorities of some of the cost burden of constructing, maintaining, or rehabilitating transit facilities
- *Examples:*
 - . sharing construction expenses
 - . incentive-based programs
 - . joint use of equipment like air-conditioning systems

An Idea whose Time has Come – Again. Or Not?

Transit-Connected Affordable Homes



- 1970s – 1st wave of hard and light rail to capture value around transit stops for affordable housing. Some successes by WMATA, BART, MARTA, DADE Co., e.g.
- Joint Development Committee, TRB/NAS efforts led to HUD/DOT changing regulations.
- State and other efforts led to increasing dialogue, e.g. 1975 Fla. Gov's Task Force on Transportation, Housing, and Energy; to 2008 HUD/FTA Report to Congress; Inter-Agency Partnerships.
- Today, different terms, but same aims and concepts. Costs of driving and environmental concerns also in mix.

What's Happening Today?

- ***Key variable – 2011 changes in House and Appropriations Subcommittee structure and in budget rhetoric;***
- ***New thrust by this Administration to create neighborhood-based programs and break down silos among agencies, also intra-. E.G., changes in DOT/FTA's New Starts and other Programs for including affordable housing as part of mixed financing/mixed use strategies;***
- ***More cross-fertilization by numerous new and old organizations, profit and non-profit;***



2011 – Transportation, Housing and Urban Development Subcommittee on Appropriations

- **Tom Latham (R-IA), Chairman;** Frank Wolf (R-VA); John Carter (R-TX); Steve LaTourette (R-OH); Mario Diaz-Balart (R-FL); Charles Dent (R-PA); Steve Womack (R-AR)
- **John Olver, (D-Ma), Ranking Member;** Ed Pastor (AZ) Marcy Kaptur (OH) David Price (NC)

Note: # OF MEMBERS ON FULL COMMITTEE CUT FROM 50 TO 40. RESULT: MANY OF THE ABOVE MEMBERS SERVE ON THREE OR MORE SUB-COMMITTEES AND THUS HAVE SOME CONFLICT DECIDING ON ZERO SUM DISTRIBUTIONS FROM MARKS GIVEN TO THEM THROUGH THE BUDGET PROCESS

COMPARE STATEMENTS

Rep. John Olver, former Chair, U.S. House Subcommittee on HUD, Transportation, said in 2010:

“Transportation, housing, and energy policy have been viewed as separate spheres with little or no coordination on the federal, State, and local level for too long. Improving federal policies among agencies and creating a federal partnership with local communities to build livable communities that combine transit oriented development, affordable housing, and green infrastructure should be a national priority.”

House Appropriations Committee Re 2011 CR

- Feb. 11, 2011 – “The CR [for FY2011] contains a total of \$52.4 billion in the Transportation, Housing and Urban Development (THUD) section of the bill. This is a \$15.5 billion, or 23 percent, cut from last year’s level and a \$16.3 billion, or *24 percent*, cut from the President’s fiscal year 2011 request.
- Over the last several years, programs within THUD experienced tremendous growth – an approximate 38 percent increase since 2008 – primarily in grant programs and new Obama Administration initiatives such as high-speed rail and the National Infrastructure Investments Program. These programs receive significant reductions in this CR.
- The CR includes reductions in transportation programs and activities but maintains essential funding for highways, transit and airport improvements. In addition, the CR cuts spending by prioritizing programs and trimming administrative costs in Housing and Urban Development programs, ensuring that no individuals or families in public housing, homeless shelters or other housing programs will be displaced.”

IMPACT ON THUD FY2011/2012 - RECAP

- FEB. 15 – PRESIDENT'S 2012 BUDGET
- MARCH 4 – END OF OLD CONTINUING RESOLUTION FOR FY11. NEW MARKUPS AND RECISSIONS, FEB. 11.
- HOUSE APPROPRIATIONS MARK CALLS FOR \$42 BILLION CUT FROM THAT. OF THE NINE SUBCOMMITTEES, H-T ASSIGNED \$15.5 BILLION FURTHER CUT FROM OLD CR – VERY DISPROPORTIONATE.
- EARMARKS NOT A WAY OUT.
- SENATE AND HOUSE WILL NOT AGREE. RESULT - WE MEET SOMEWHERE ALONG (TBD) LEVELS.

5-YEAR TRANSPORTATION AUTHORIZATION

- BEEN IN LIMBO THE PAST TWO YEARS. UP IN THE AIR – HIGHWAY USER TAX AND ITS DISTRIBUTION, TOD BENEFITS FROM VARIOUS PROVISIONS.
- HOUSE TRANSPORTATION COMMITTEE HAS CHANGED HANDS, AND FORMER LONG-TIME CHAIR, JIM OBERSTAR, DEFEATED BY TEA PARTY PERSON IN MINNESOTA.
- KEY ISSUES – ROLE OF LOBBY GROUPS AND WHICH ONES; HOUSE VS. SENATE VS. WHITE HOUSE VS. 2012 ELECTIONS VS. WHO WINS THE 'NARRATIVE' OR 'MESSAGE' BATTLE OVER JOBS VS. LAY-OFFS; NIMBY FED \$; (STIMULUS) INVESTMENT IN INFRASTRUCTURE VS. CUTS.

The Eligibility of Joint Development Projects under Federal Transit Law

- 49 U.S.C. 5302(a)(1)(G) permits the Federal Transit Administration to issue public transportation grants “for the construction, renovation, and improvement of intercity bus and intercity rail stations and terminals,” including the construction, renovation, and improvement of commercial, revenue-producing intercity bus stations or terminals.” No exclusive funding but JD is an eligible capital expense.
- Joint Development Guidance (72 FR5788) implements changes wrought by SAFETEA-LU; seeks to afford FTA grantees maximum flexibility within the law to work with the private sector and others for purposes of joint development; generally defers to the decisions of the project sponsor to utilize federal transit funds for JD purposes.

Eligible Activities

- By statute, the following activities are expressly eligible:
 - Certain activities supporting commercial and residential development;
 - Pedestrian and bicycle access to a public transportation facility;
 - Construction, renovation, and improvement of intercity bus and intercity rail stations and terminals; and
 - Renovation and improvement of historic transportation facilities.

SPECIFIC ACTIVITIES

- Real estate acquisition
- Demolition
- Site Preparation
- Building foundations
- Utilities
- Walkways
- Open Space
- Safety & Security equipment & facilities
- Community services in facilities
- Intermodal transfer facility
- Construction, renovation, and improvement of intercity stations and terminals
- Transportation-related furniture, fixtures & equipment
- Parking
- Project development activities
- Professional services
- Ineligible:
 - Construction of commercial revenue-producing facility.
 - A public facility not related to transit.

BARRIER - POLITICAL AND AGENCY SILOS

- The condition by which streams of funding or programs are implemented in isolation of one another, often in the same target neighborhood.
- ***One strategy: More cross-fertilization by numerous new and old organizations, profit and non-profit; extra and inner.***
- ***Examples: IAP, ULI, LLI, NHC/CHP, NHT, CTOD, Smart Growth, T4A, LISC, APTA, APA, NAS/TRB, LISC, NAHRO, CLPHA, HDR, ABA, Living Cities, incl. Ford, MacArthur, Casey, Kellogg and other Foundations.***

SOME TOD-RELATED INTERNET SITES TO ACCESS

- www.fta.dot.gov
- www.hud.gov (under CPD pages)
- www.reconnectingamerica.org
- www.T4america.org
- www.smartgrowthamerica.org
- www.livingcities.org
- www.nht.org
- www.macfound.org
- www.nhc.org
- www.uli.org

UNFINISHED BUSINESS

- Keep fighting and advocating for maintaining or enlarging national infrastructure pie and then for a reasonable piece of that pie; stimulus funds did create jobs that count.
- Reform DOT/FTA's New Starts program criteria and cost effectiveness ratings to encourage and provide higher ratings for TOD and inclusion of affordable housing now);
- Do the same for all HUD formula and competitive grant programs (e.g., amend the General Section of the NOFA to specify TOD policy priority and include TOD points or set-aside for HOPE VI and CNI NOFAs);
- Require more integrated decision-making on transit funding and land use during the MPO process and promote regional collaboration;
- Move federal funding mechanisms past programmatic silos and eliminate the biases embedded in current law that favor some transportation modes over others;
- Provide funding for specific station area and corridor supportive infrastructure to facilitate private investment and ease costs for affordable housing (ex. - working group looking at federal guarantees, land and infrastructure trusts).

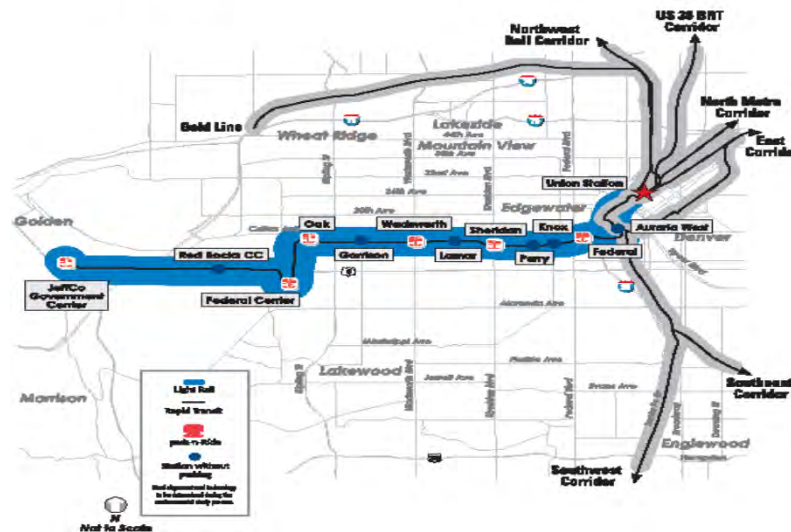
YOUR ACTION STRATEGY

- NO ORGANIZATION IS TOO SMALL TO REVIEW ITS OPTIONS FOR NEW FINANCING TOOLS – LOOK AT YOUR MISSION AND SEE IF IT CAN BE ENHANCED THROUGH PARTNERING WITH THE BUS, STREETCAR, LIGHT RAIL, HIGHWAY OR SUBWAY AGENCY - TODAY.
- JOIN THE ‘CONVERSATION’ THROUGH ATTENDING TOD MEETINGS ON-LINE OR IN-LOCATION BEING SPONSORED BY ULI, APTA, CTOD/ RECONNECTING AMERICA, SMART GROWTH, NHC/CHP, LISC, APA, DOT/FTA, LLI – LOOK FOR MONEY IN DIFFERENT PLACES.
- BRING YOUR ASSETS TO THE TABLE AND LEVERAGE.

DHA TOD : Sustainable + Affordable + Connected



LEED
LEADERSHIP IN ENERGY & ENVIRONMENTAL DESIGN
West Corridor



Regional Opportunities Re Other Panelists

- DRCOG MetroVision 2035 - Centers and Corridors
- Sustainable Communities Regional Planning Grants
- HUD – DOT – EPA Interagency Collaborative
- West Corridor Working Group
- Denver TOD Fund
- Colorado Legislative Advocacy to enable RTD Affordable Housing Policy

***THANK YOU! PLEASE EMAIL ME AT THE ADDRESS
ON THE TITLE PAGE IF YOU HAVE ANY FURTHER
QUESTIONS AFTER THIS SESSION.***