

Central Corridor Analysis and Case Studies

Presentation to Central Corridor Funders
Working Group
February 22, 2007

Overall Work Plan

- Status Update from Cities [Complete]
- Scan of Actors [Complete]
- Learning from the Corridor [Today]
- Learning from Others [Today]
- Framework for Action [March/April]

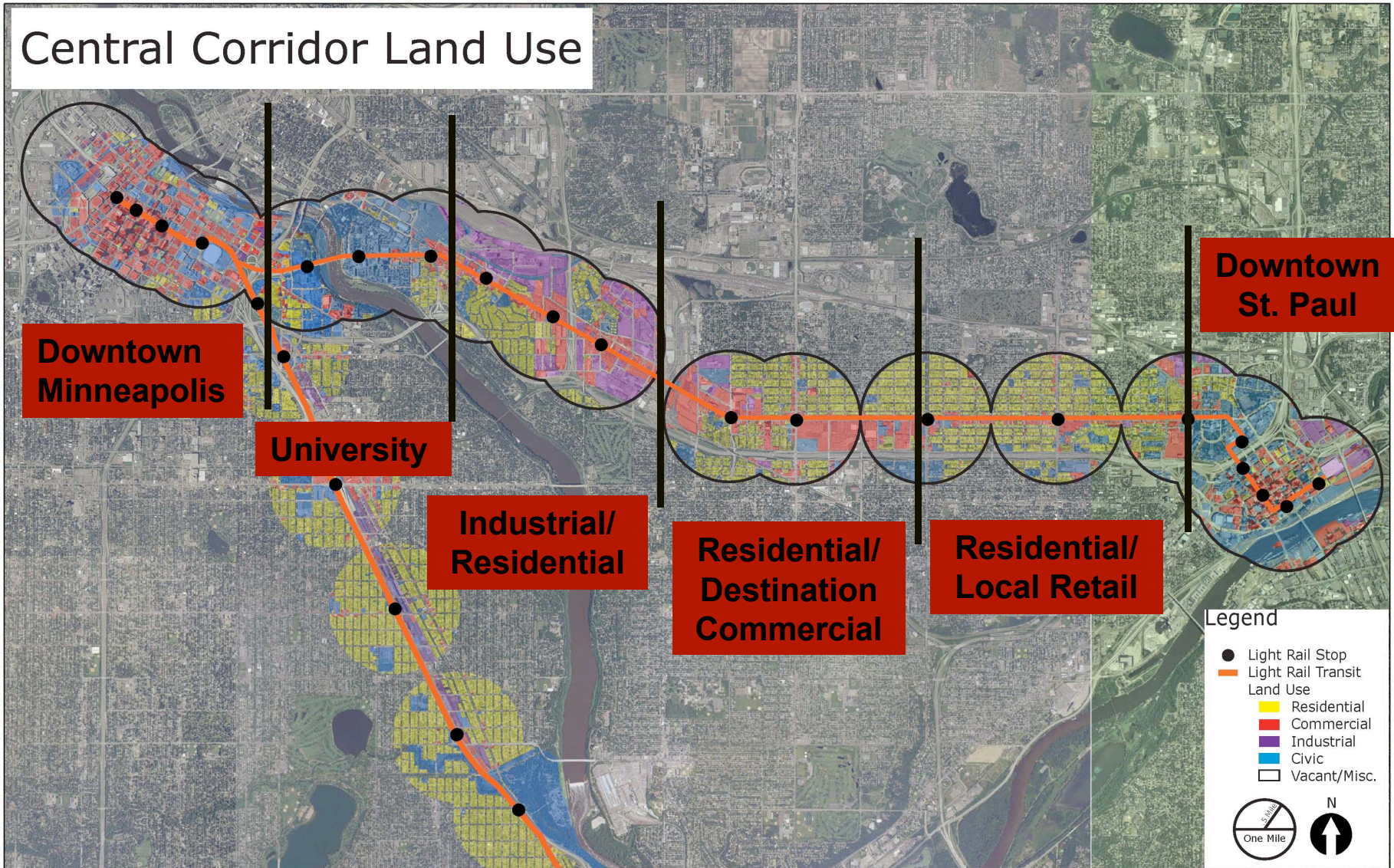
Learning from the Corridor— Key Questions

- Which areas are *likely* to experience change?
- What is the *magnitude* of potential change?
- What are the different *qualities* of change in different parts of the corridor?
- Answers will suggest policy framework for equitable development.

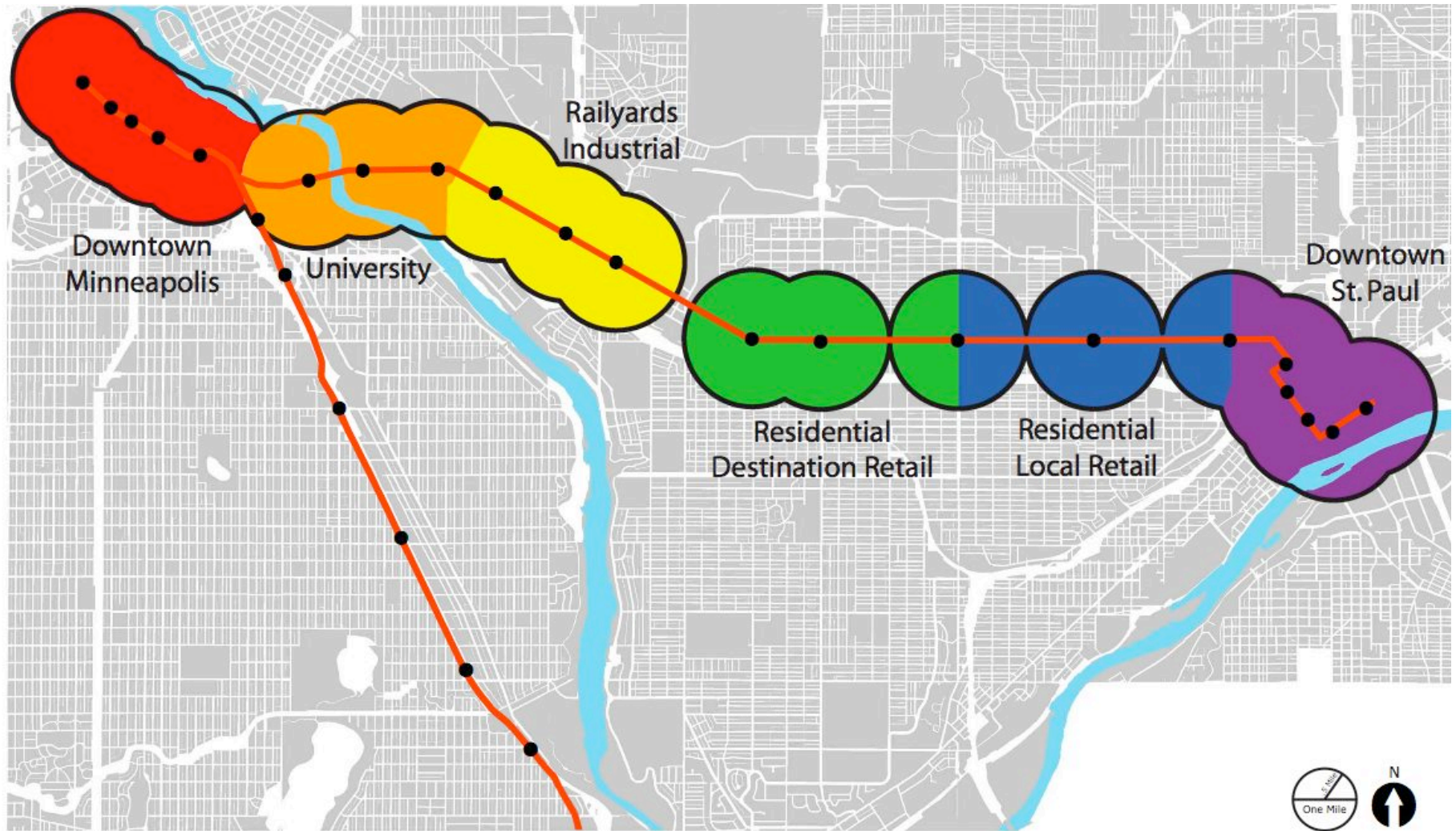
Learning from the Corridor— Analysis Process

1. Identify subareas to understand local differences
2. Identify indicators that inform us about equitable development trends and potential pressures
3. Collect and analyze data from multiple sources (County data, Census data, etc.)

Central Corridor Land Use



Central Corridor Subareas



Indicators of Change/Pressures

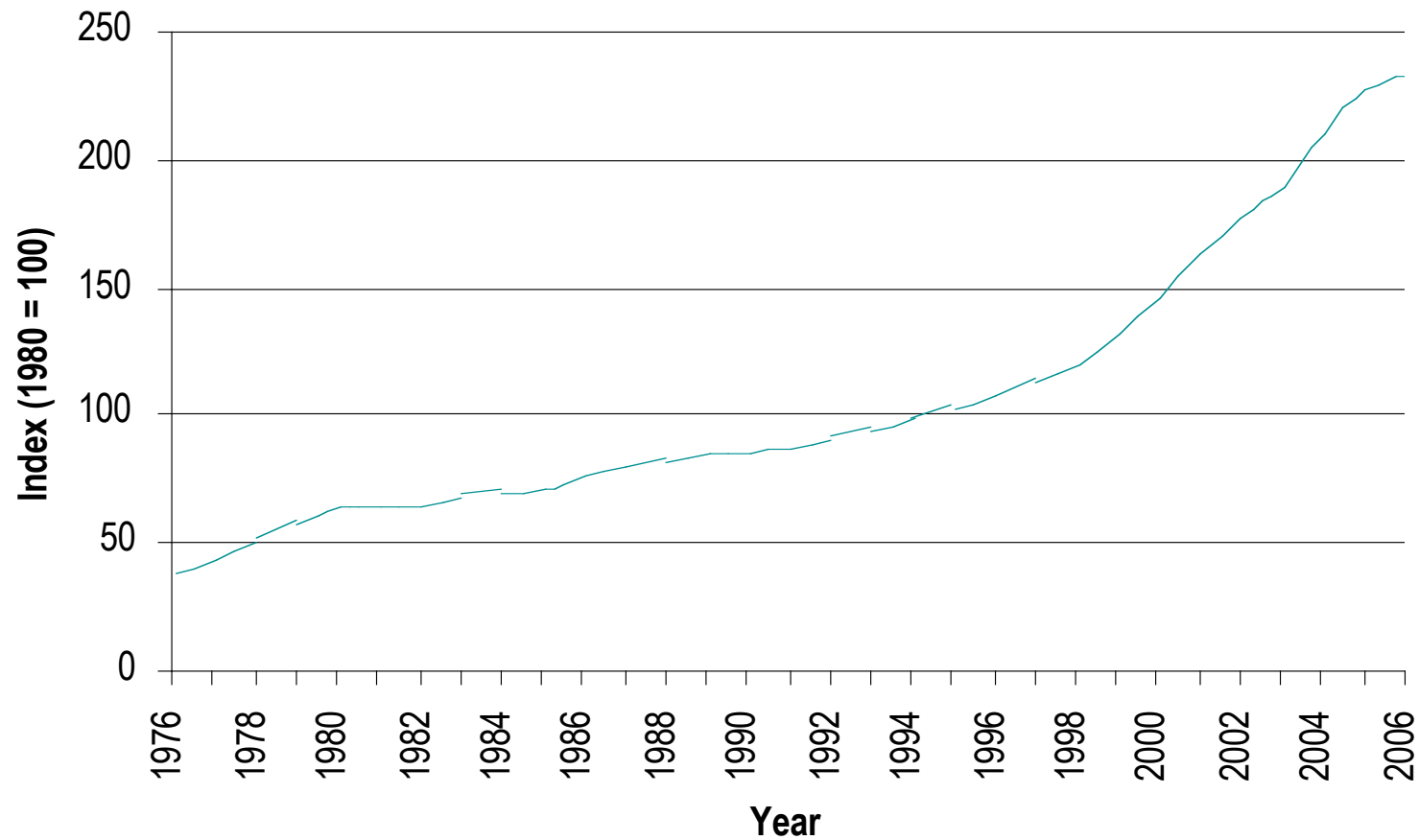
- The impact of transit depends on:
 - Regional market conditions
 - Real estate market and demographic trends
 - Station area land use patterns
 - Relationships between stations
 - Location and type of development opportunities (vacant and underutilized land)

Regional Indicators

- What to look for:
 - Rising house prices and sales
 - Commercial market pressures
 - Increasing traffic congestion
 - Employment growth
 - Good connectivity to employment centers

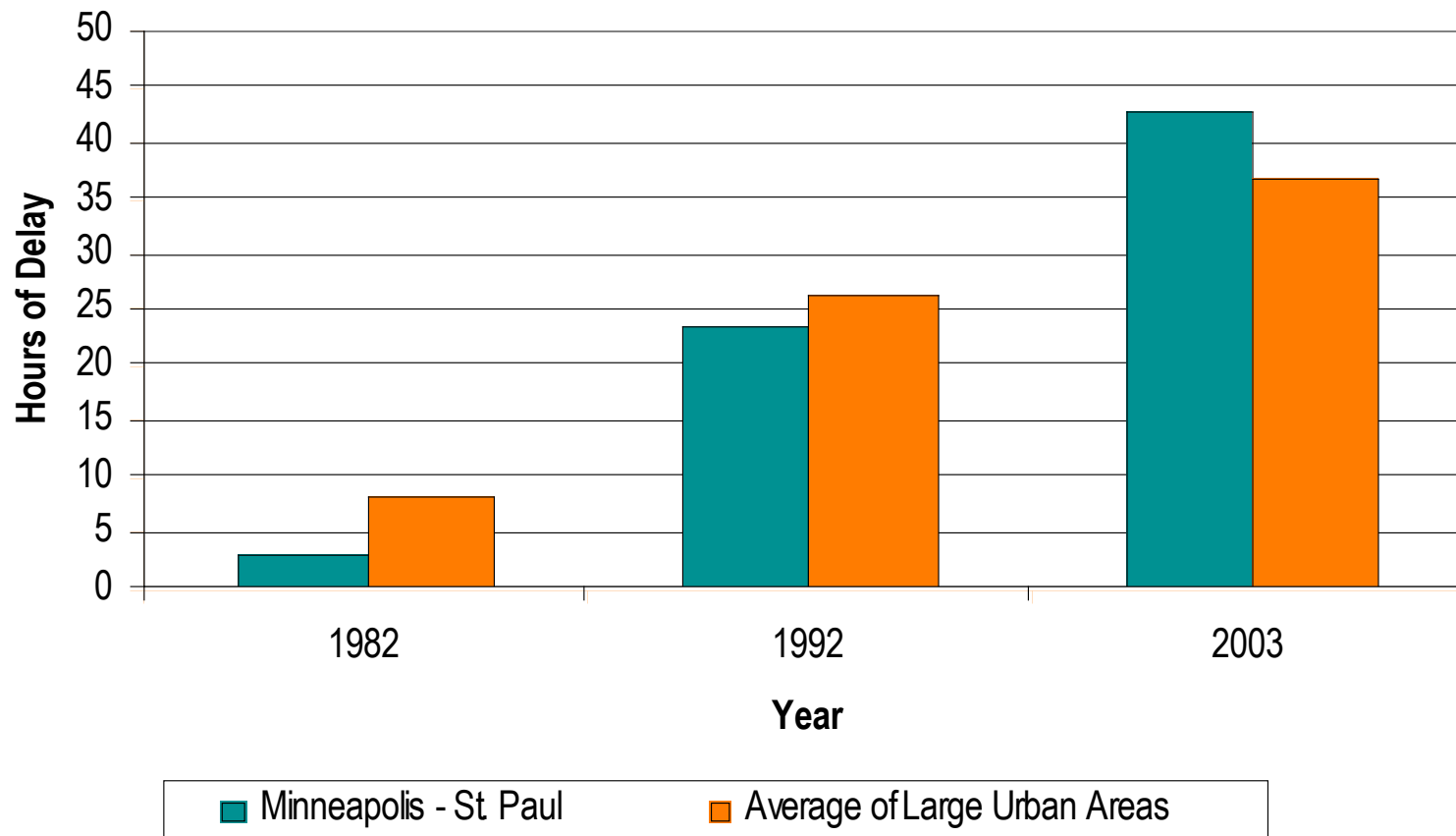
Regional Indicators: House Prices

Twin Cities House Prices



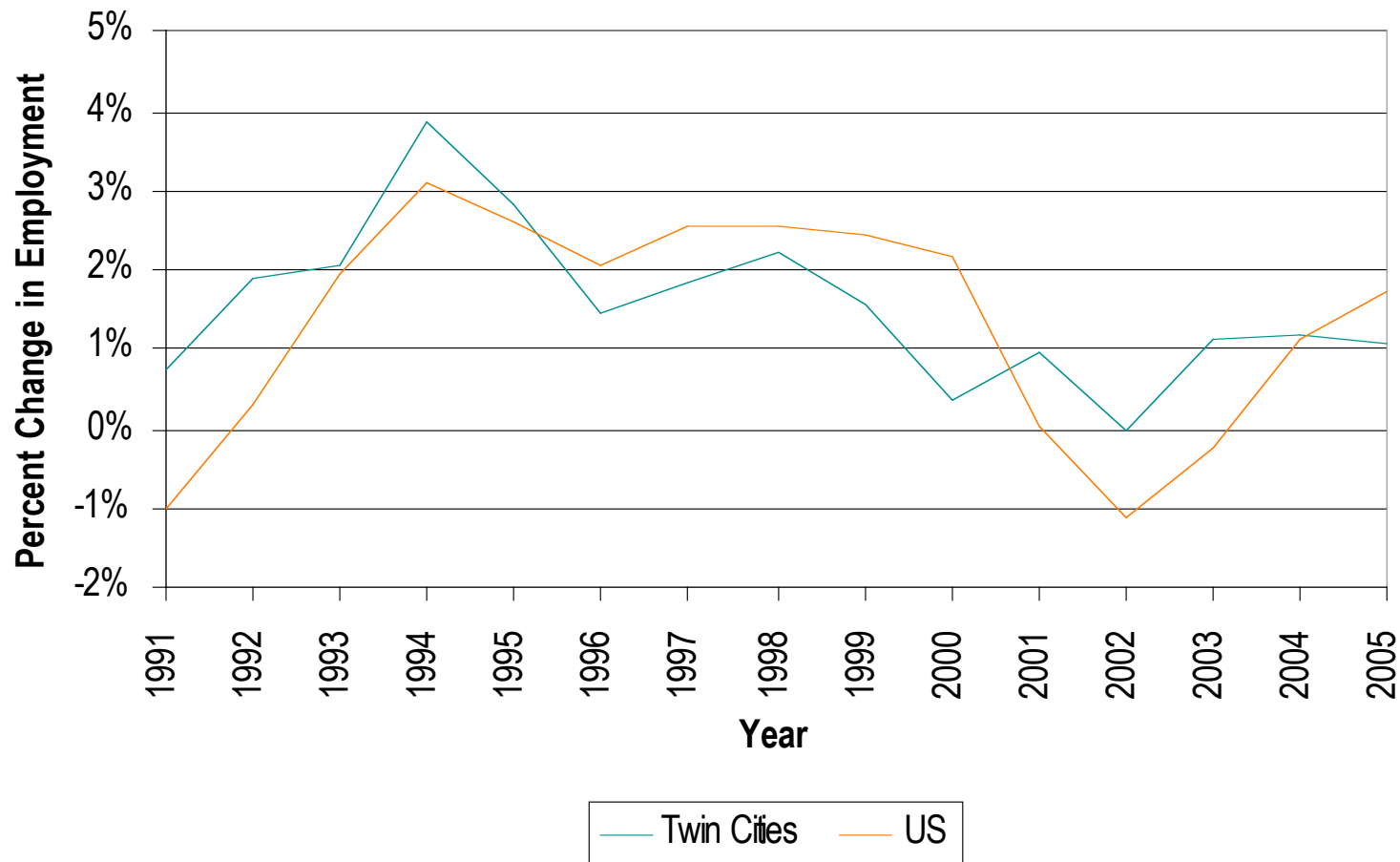
Regional Indicators: Congestion

Annual Delay per Peak Traveler



Regional Indicators: Employment

Employment Growth, Twin Cities and US



Regional Indicators: Commercial Market Conditions

- Incremental investment in local businesses has led to some revitalization before transit improvements
- Concerns about construction impacts outweigh gentrification concerns
 - Approximately 50% owner-occupied
 - Typical lease term is 3 to 5 years
 - Gradual increases in rents
- Highest property values are for auto-oriented commercial

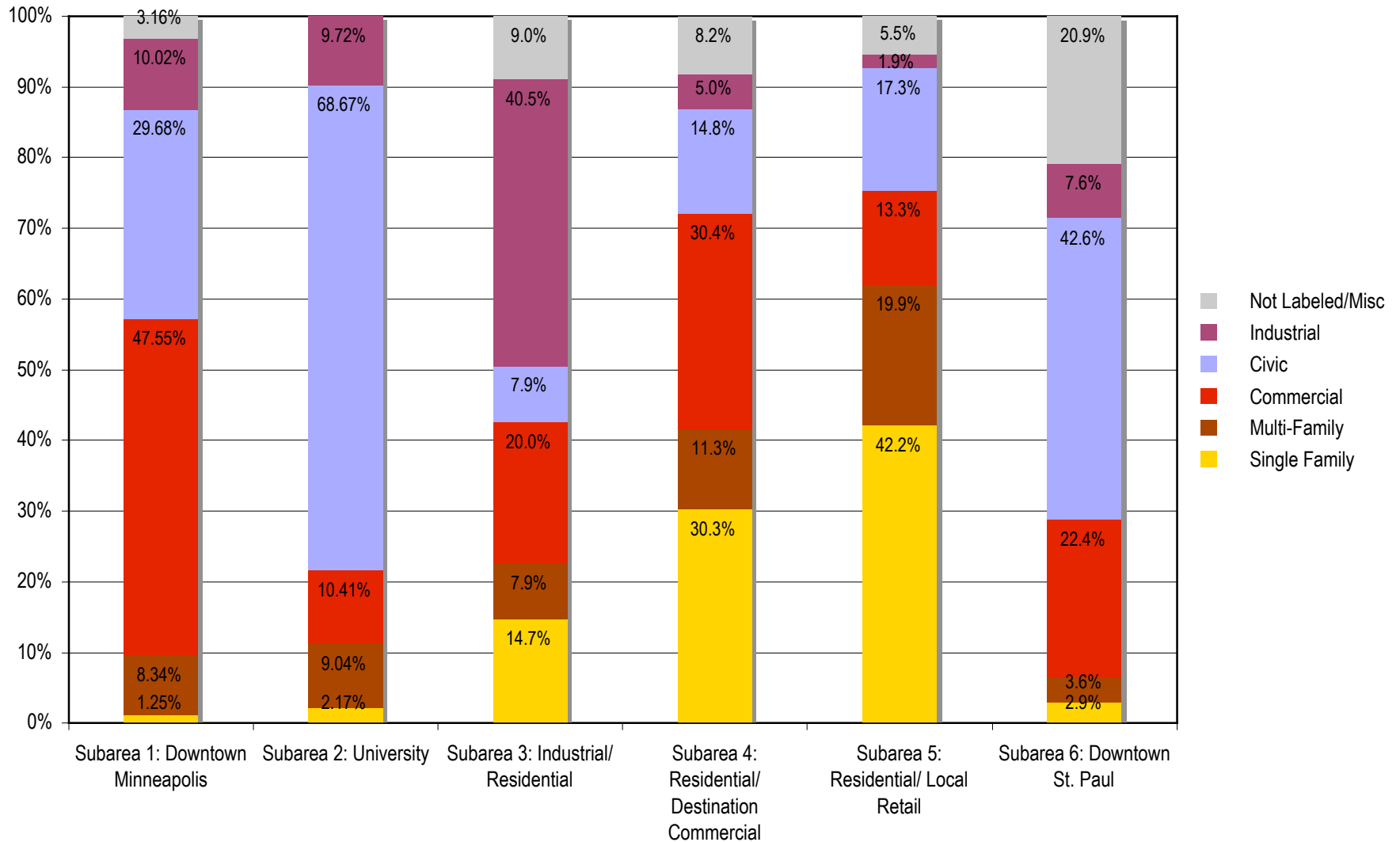
Local Indicators

- Physical Characteristics (e.g., Mix of Land Uses, Underutilized Land)
- Neighborhood Demographic Characteristics
- Local Real Estate Market Conditions

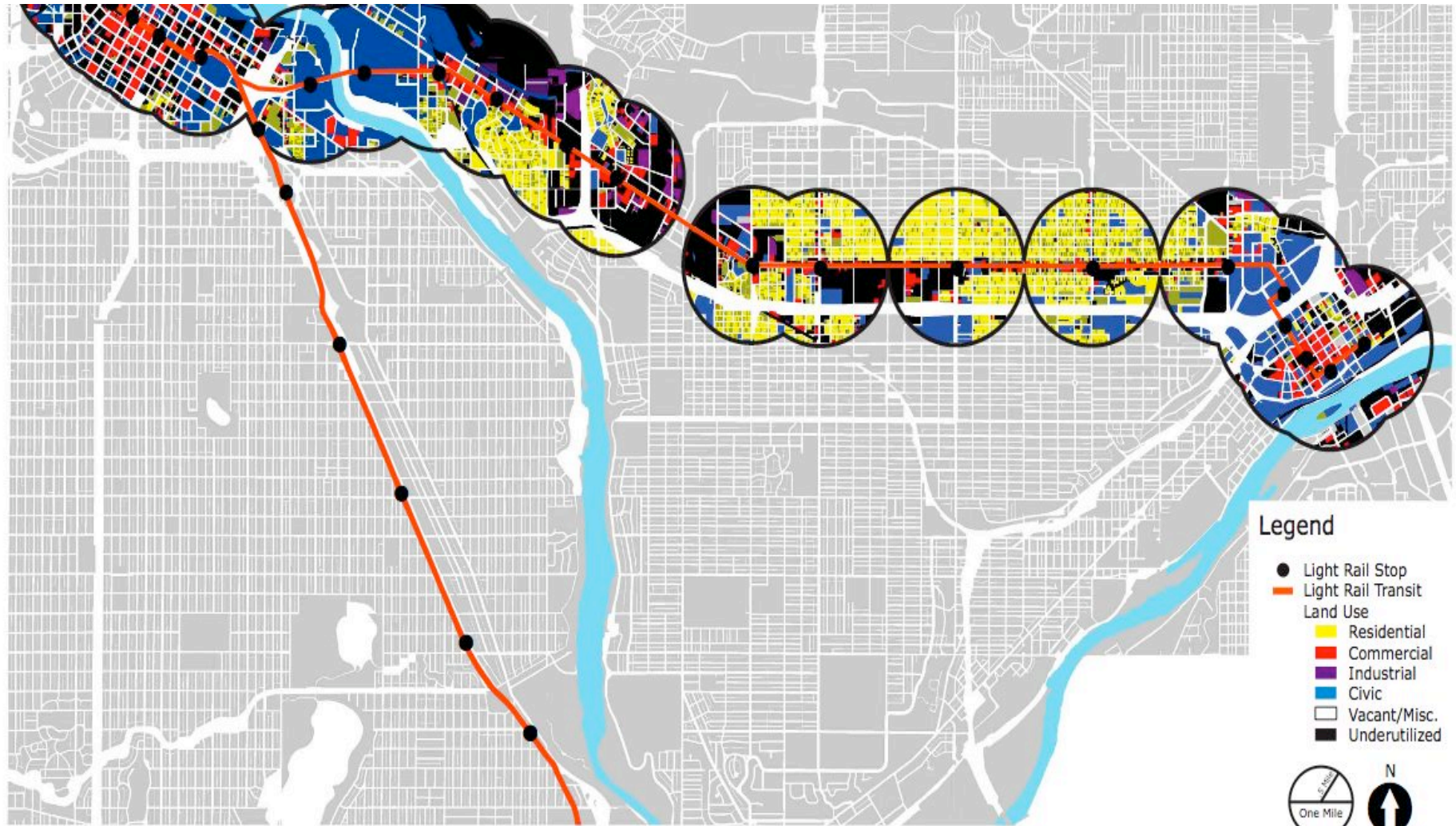
Local Indicators: Physical

- What to look for:
 - Areas where development is more likely to occur
 - Location of vacant or underutilized land
 - Size of parcels
 - Potential for change of land use (e.g., industrial to residential)

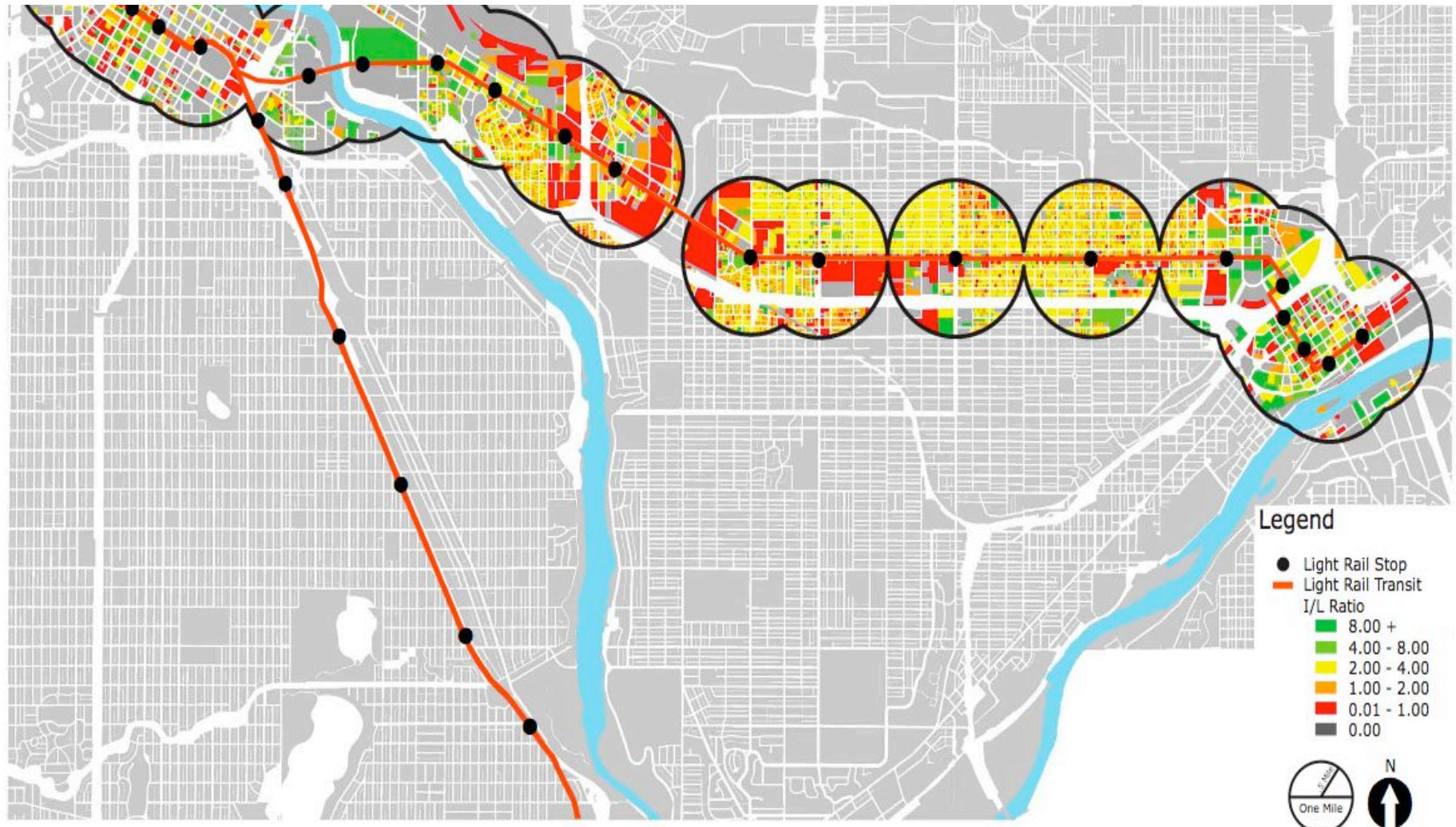
Local Indicators: Physical



Potential for Change: Underutilization



Potential for Change: Underutilization

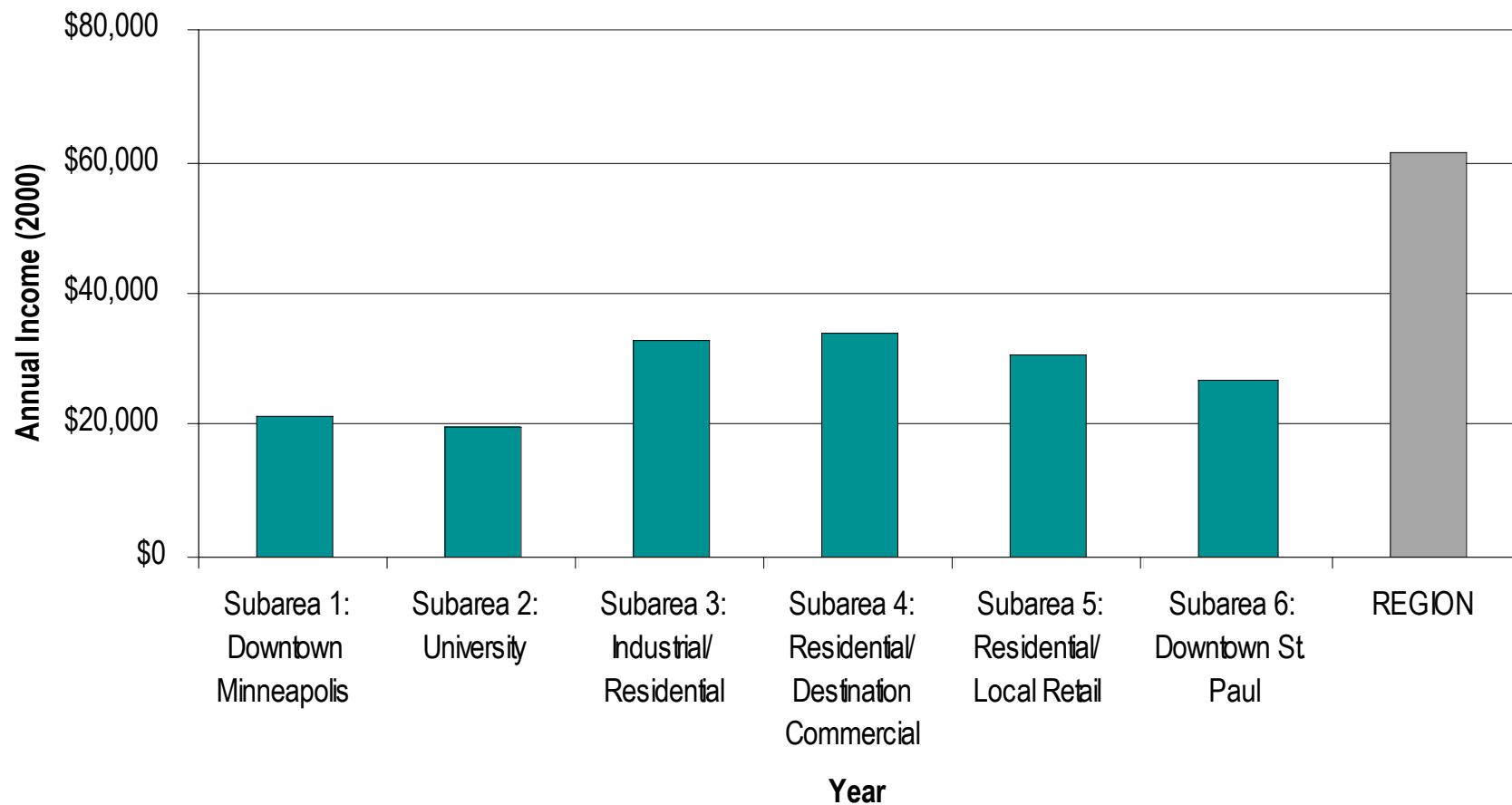


Local Indicators: Demographic

- What to look for:
 - Households with low incomes are more vulnerable to displacement, especially renters
 - BUT, areas with concentrated poverty are less likely to gentrify in the short term
 - Areas that are already experiencing demographic changes are most likely to be impacted

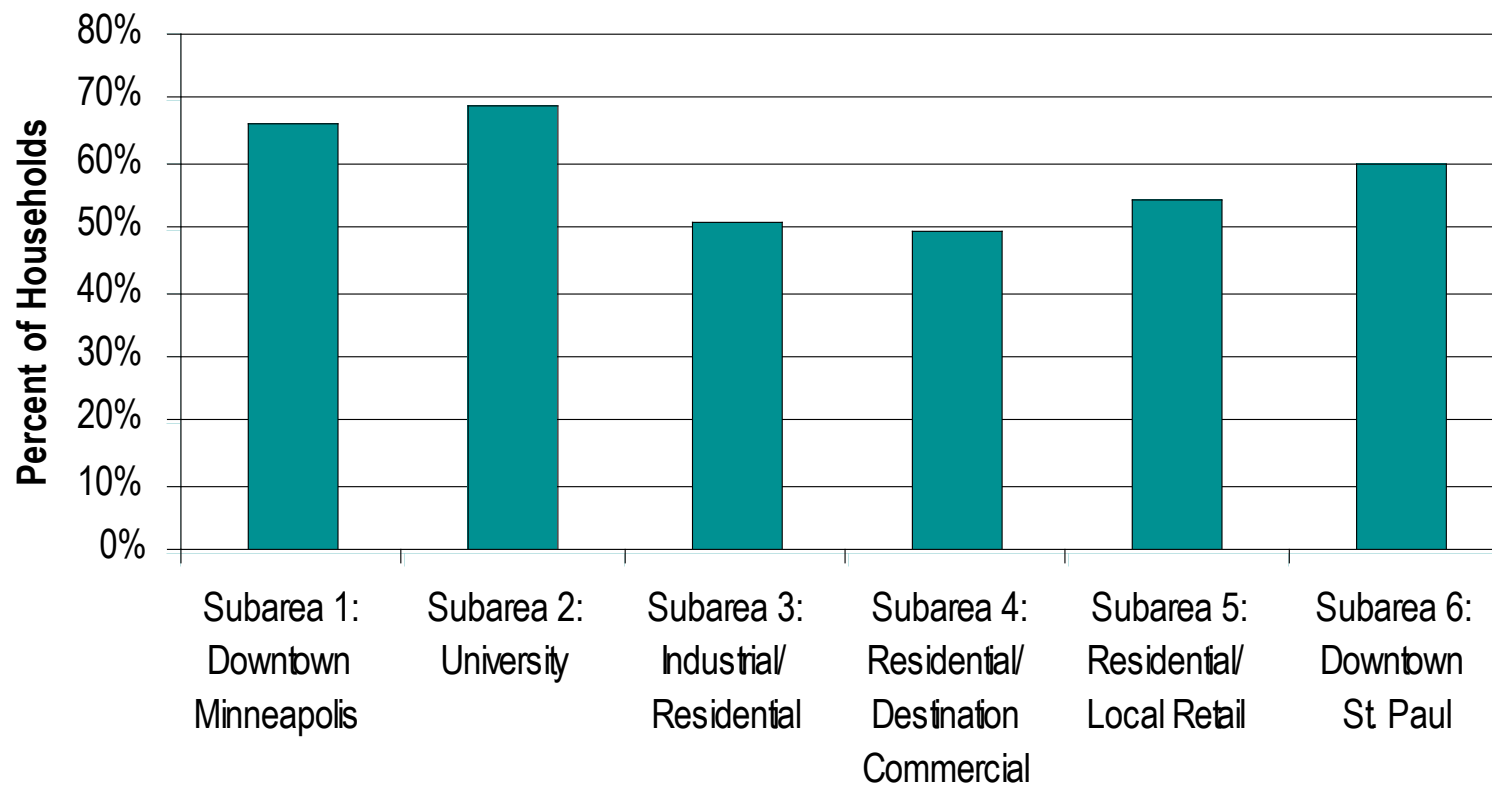
Local Indicators: Demographic

Household Income



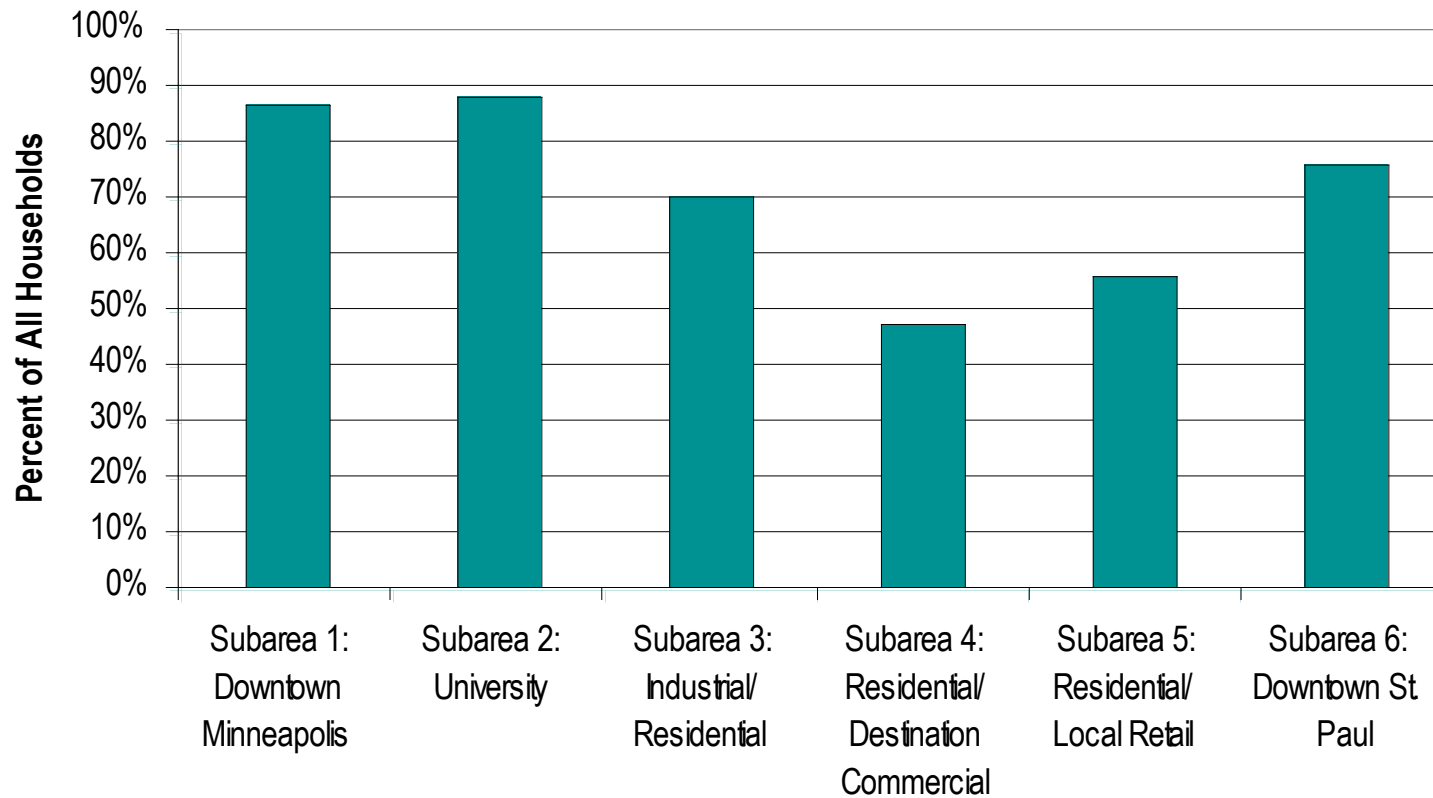
Local Indicators: Demographic

Very Low Income Households (At or Below 50% of Area Median)



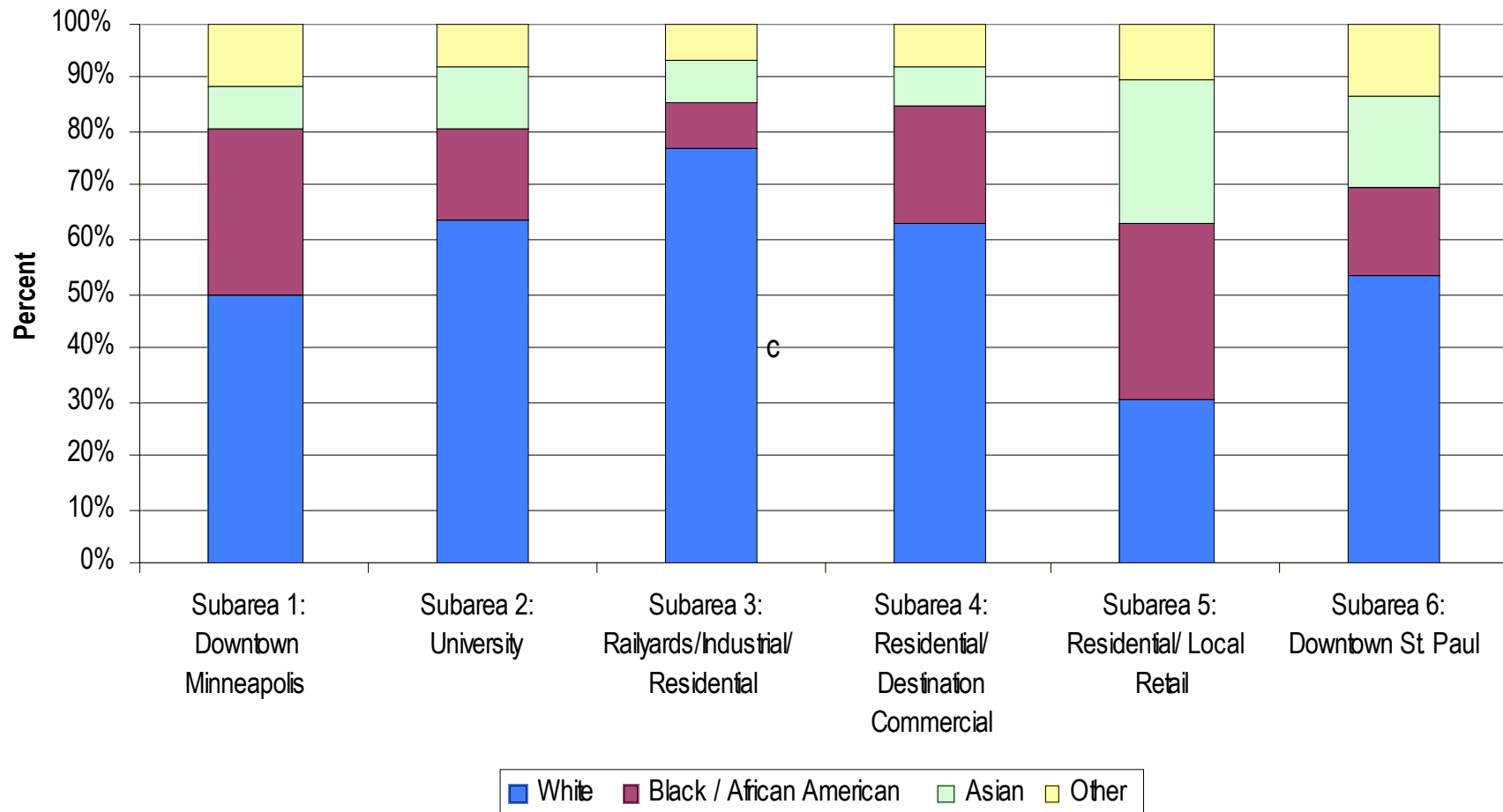
Local Indicators: Demographic

Percent Renters



Local Indicators: Demographic

Population by Race

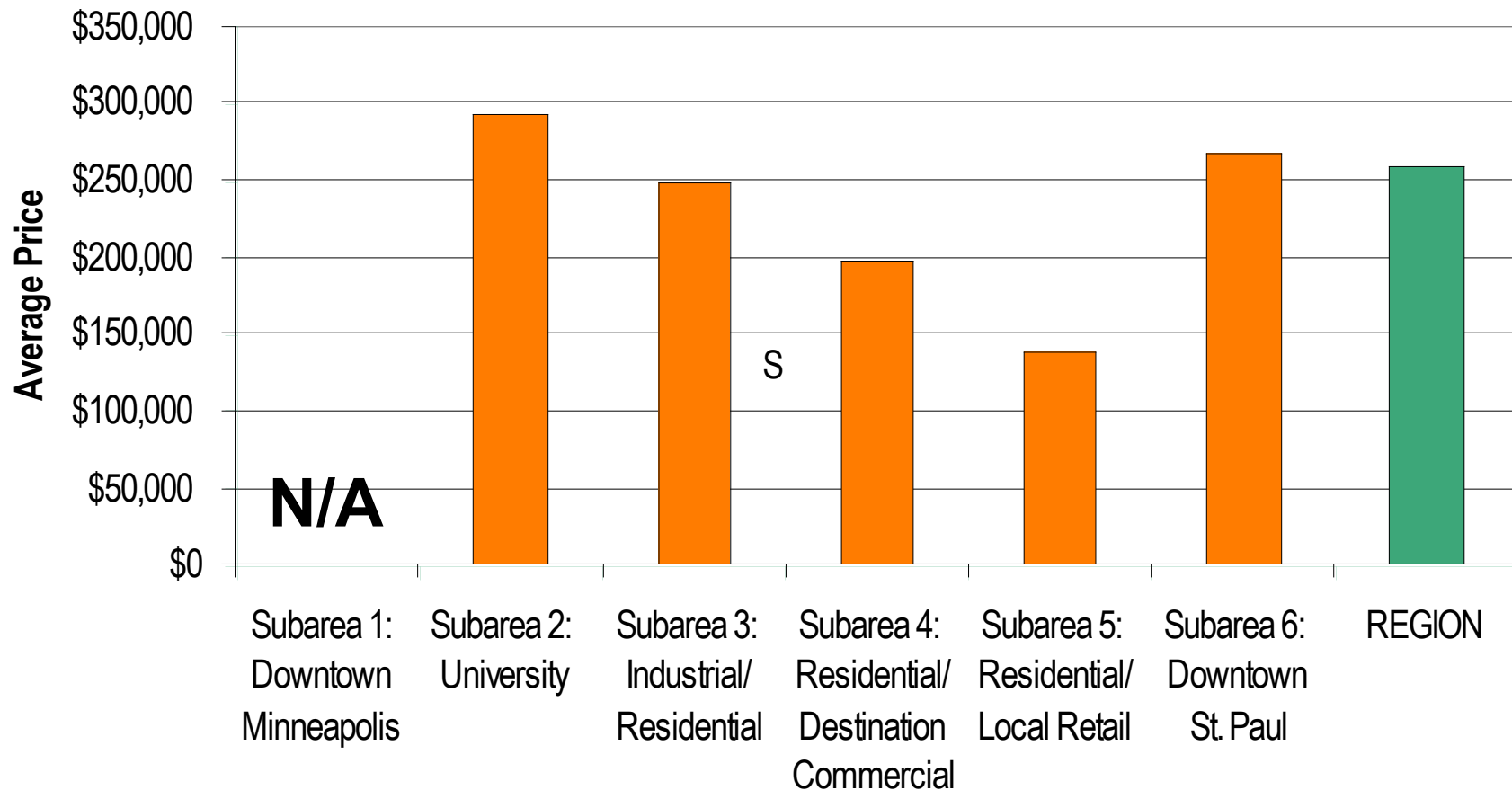


Local Indicators – Real Estate

- What to look for:
 - High development activity means pressure for change
 - Increasing house prices (and rents) indicates potential for displacement
 - Areas with older housing stock (pre WW II) and relatively low property values are more likely to gentrify

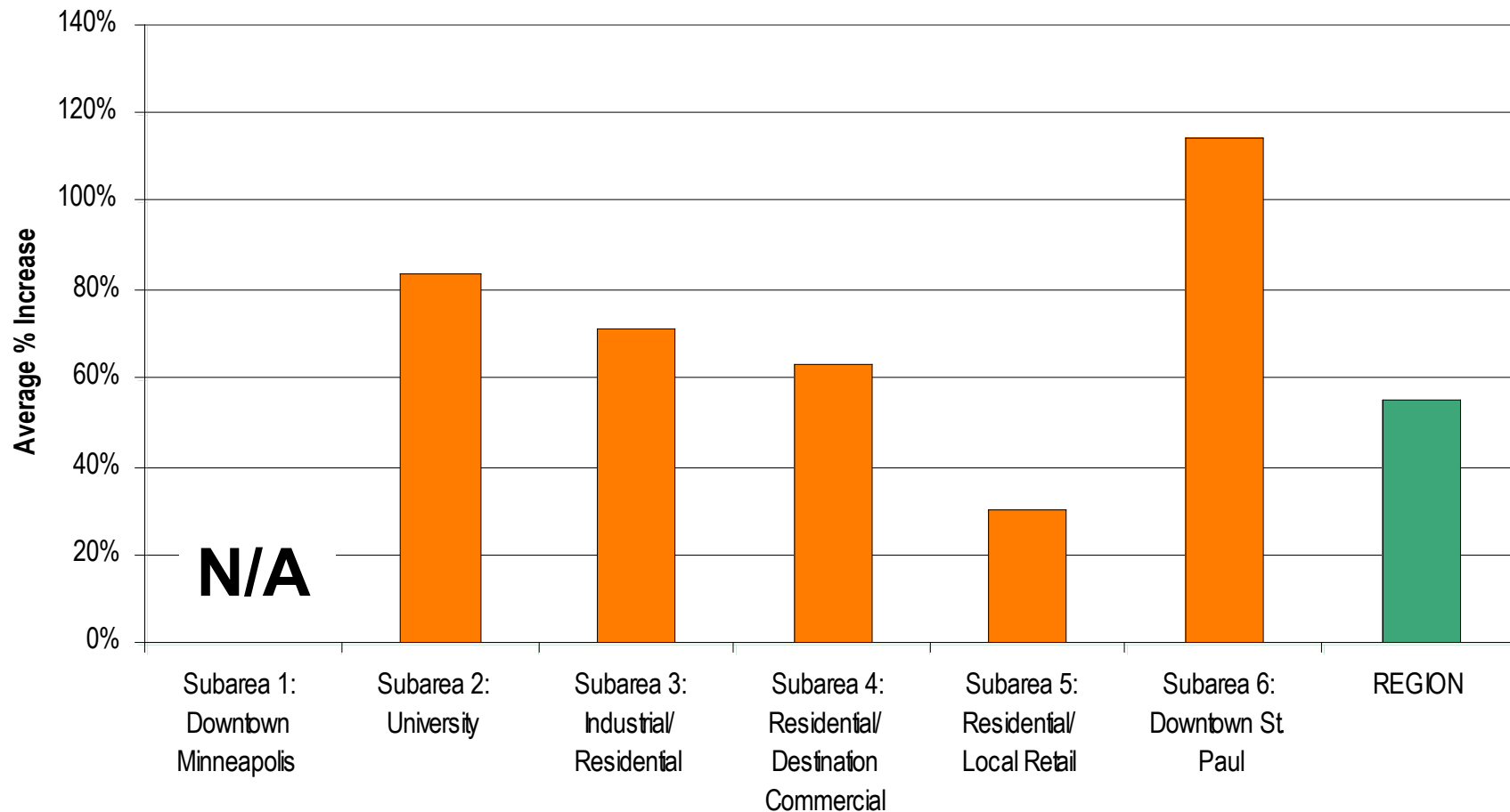
Local Indicators: Real Estate

Single Family House Prices, 2005



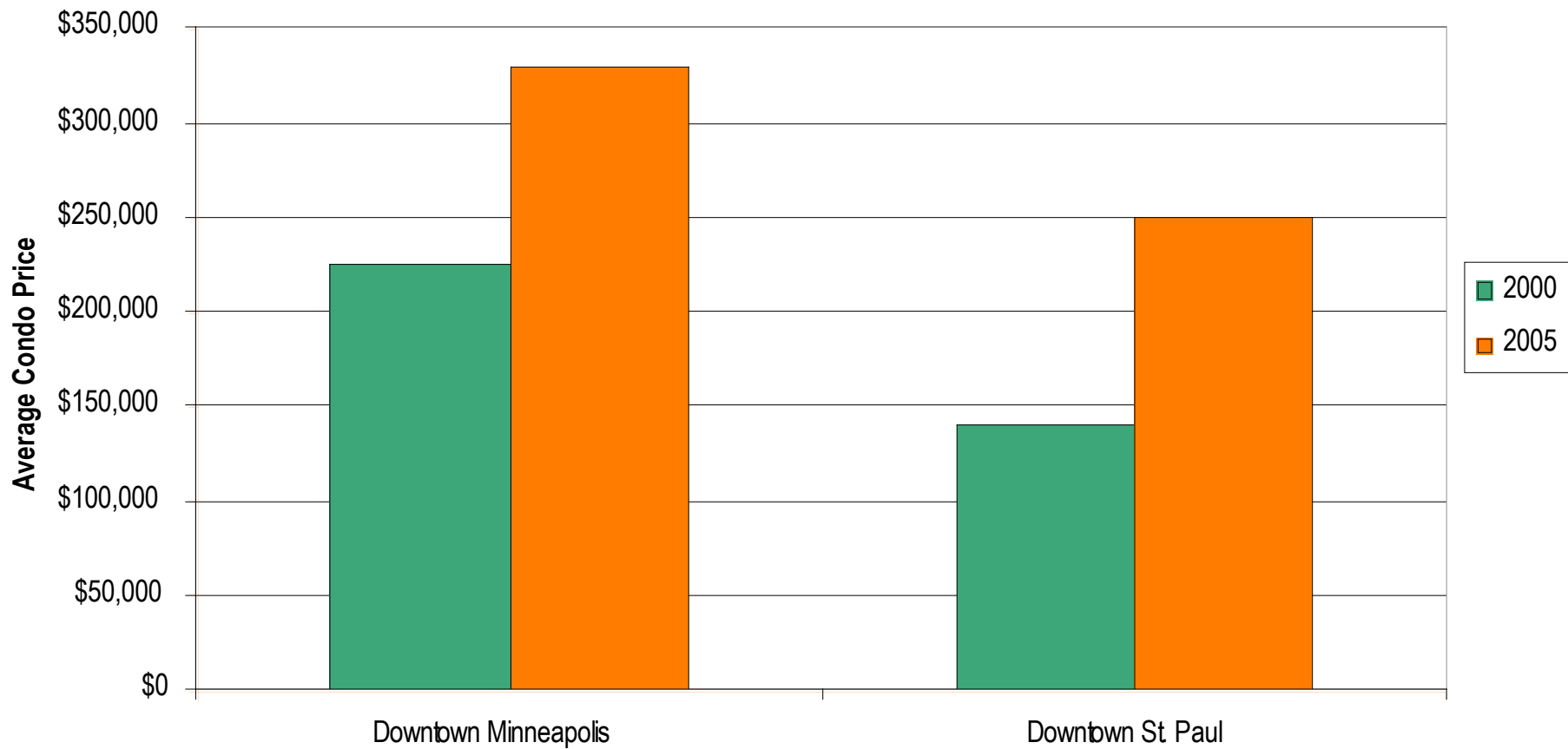
Local Indicators: Real Estate

Growth in Single Family House Prices, 2000 - 2005



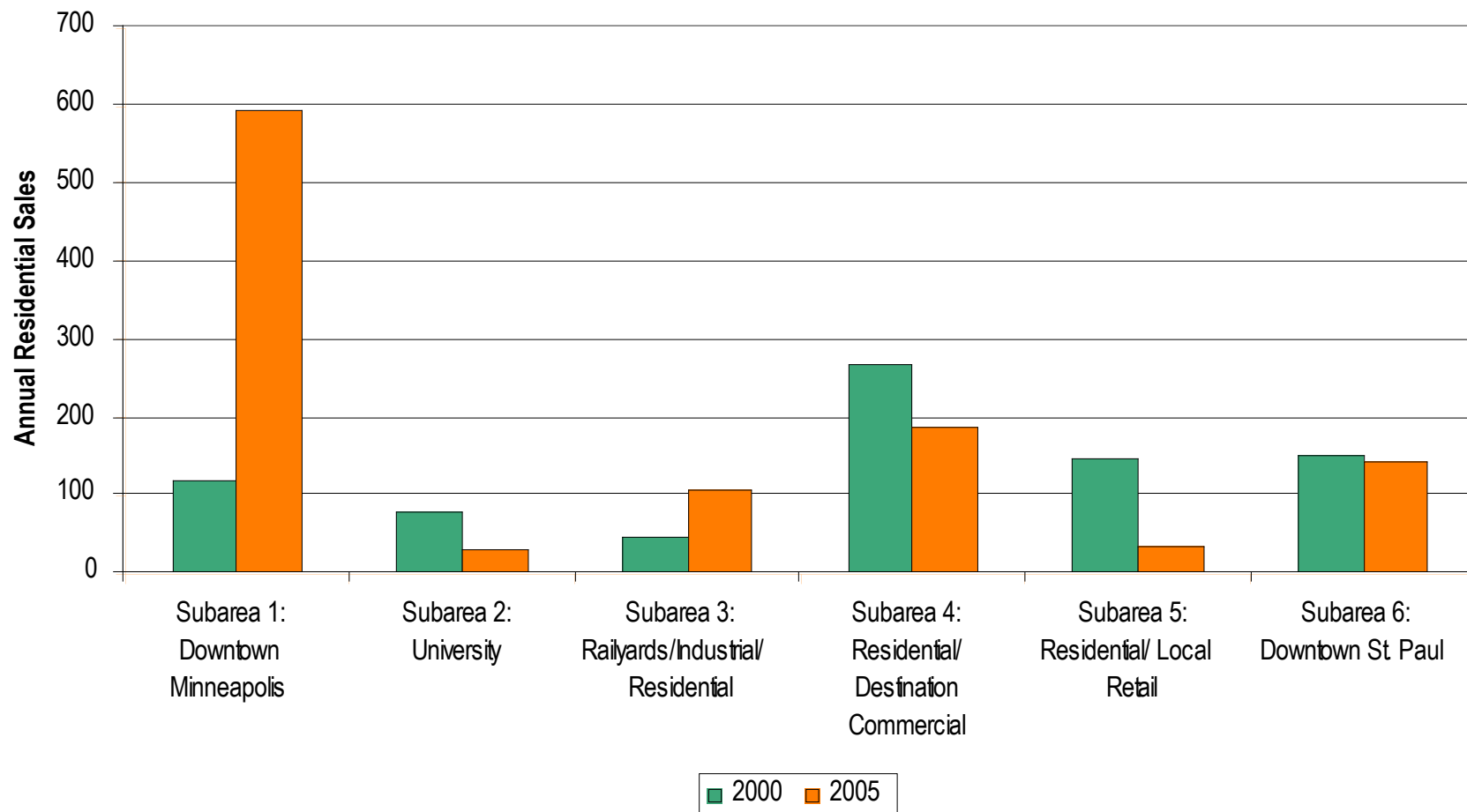
Local Indicators: Real Estate

Growth in Condo Prices, 2000 - 2005

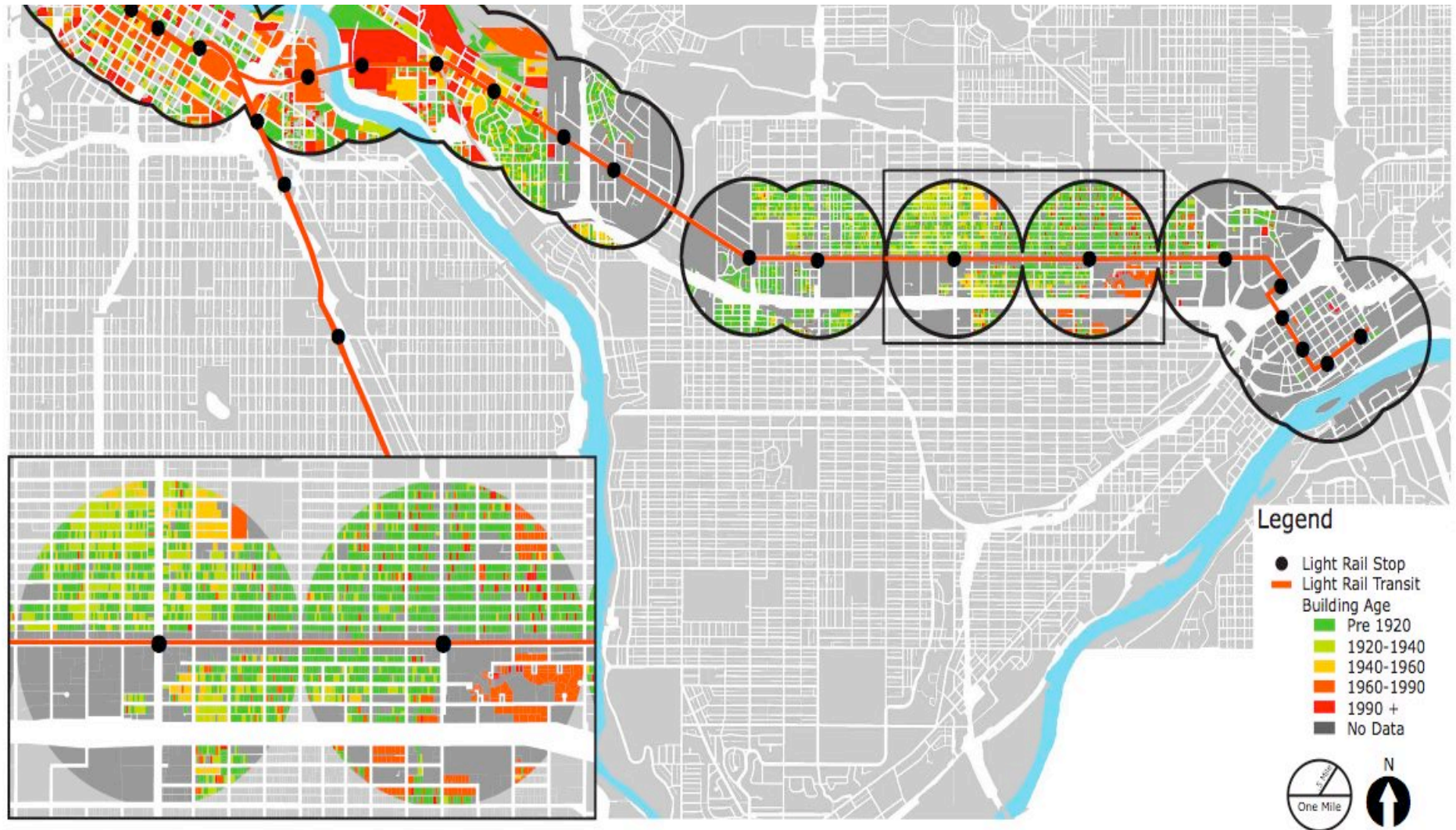


Local Indicators: Real Estate

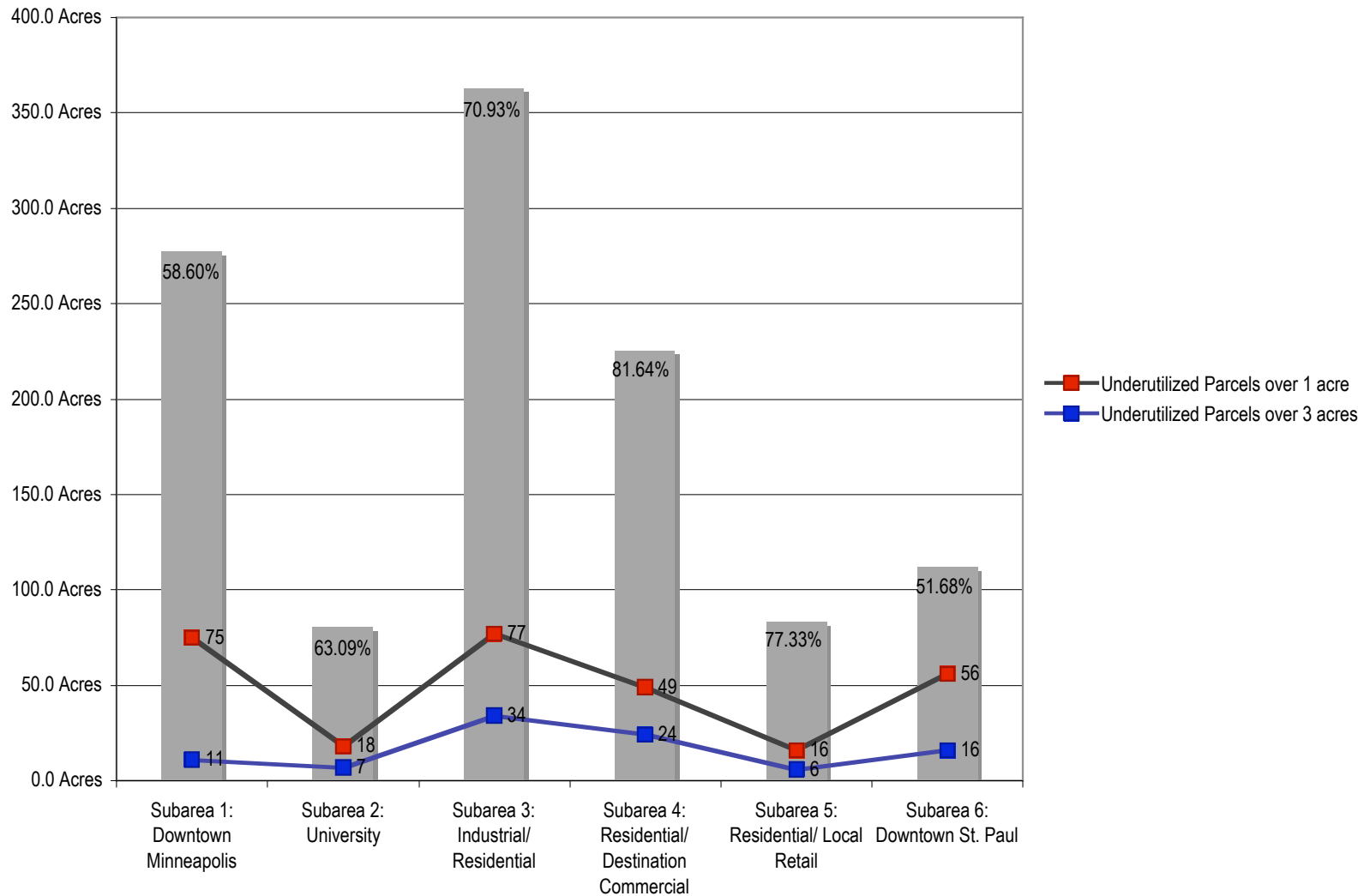
Residential Transactions, 2000 and 2005



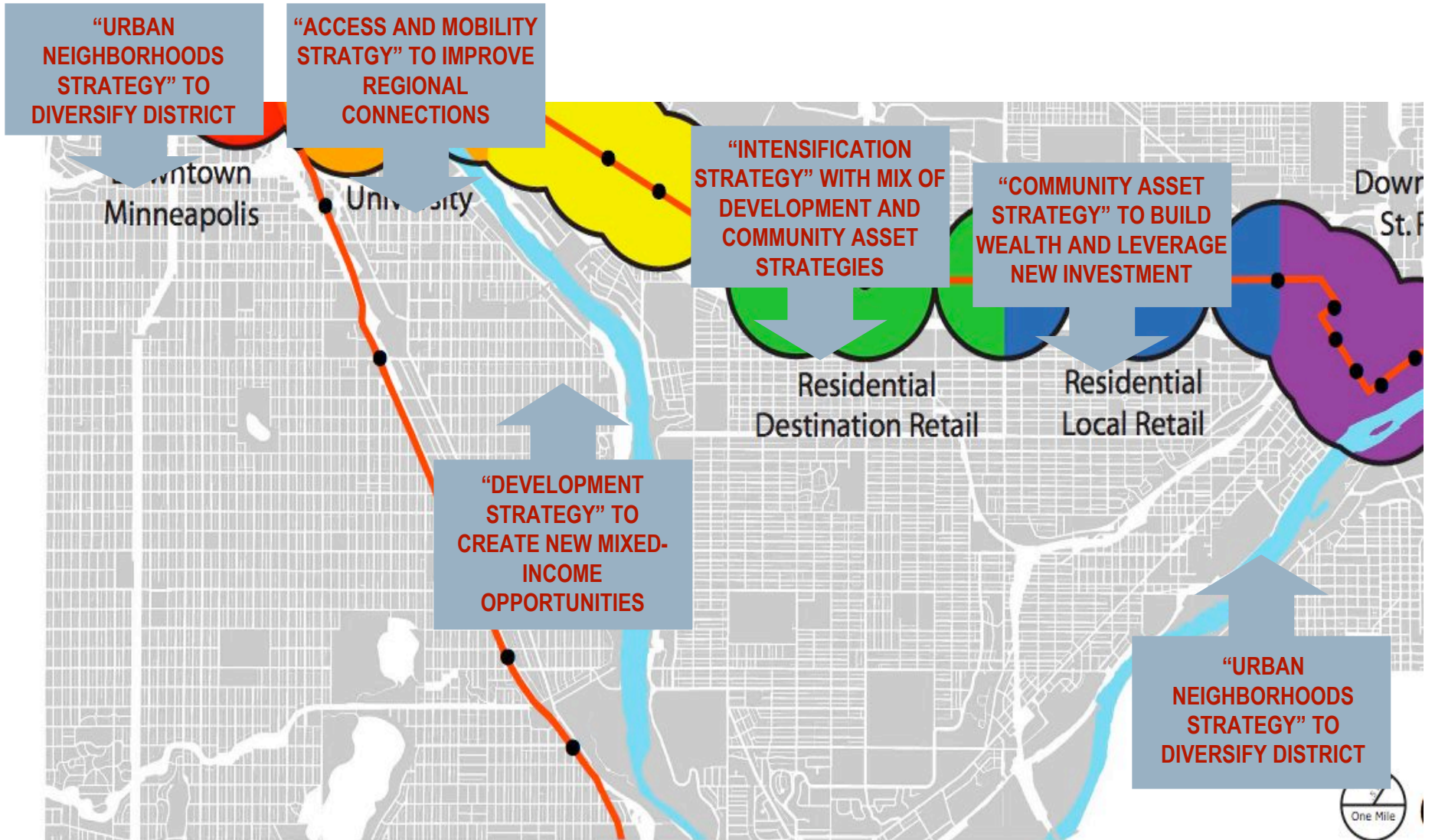
Housing Age



Analysis: Underutilized Land



Challenges for the Future



Case Studies: Key Questions

- How is corridor comparable to Central Corridor?
- What lessons can be applied to Central Corridor?
- What tools and strategies were used?
- Which Central Corridor actors could implement?

Case Studies

- Hiawatha Line, Minneapolis
- Charlotte Region, NC
- Link LRT, Seattle, WA
- Five Points Neighborhood, Denver, CO
- Downtown Streetcar, Portland, OR

Case Studies: Hiawatha Line

- Need to address pedestrian access to LRT and anticipate development opportunities
- Need for interagency collaboration (Met Council/Cities/Counties)
- Hennepin County TOD Program provides funding for TOD projects
- Corridor Housing Initiative provides proactive planning process



Case Studies: Charlotte, NC

- Revitalization of industrial areas requires infrastructure investments
- Affordable housing programs need to be compatible with other funding sources
- City and transit agency (CATS) fund staff TOD coordinators
- Land Acquisition Fund helps secure land for community benefits and TOD



Case Studies: Link LRT, Seattle

- Community Development Fund created by City and transit agency to overcome community opposition and address equity issues
- Need for technical assistance to support local businesses beyond construction mitigation
- CD Fund provides multi-faceted support for businesses and TOD projects



Case Studies: Denver, CO

- Five Points Neighborhood highlights need for collaboration between transit agency and city.
- Lack of a comprehensive affordable housing strategy has limited production
- Metro Mayors Caucus TOD Fund provides funding source for affordable TOD.
- TOD Strategic Plan guides citywide efforts



Case Studies: Portland, OR

- Streetcar used as a tool for developing new neighborhoods
- Programs work most effectively with larger opportunities
- Developer Agreements specify amenities and responsibilities associated with development



Other Equitable Development Tools

- Strategies to Build Resident Assets
 - Community Land Trusts
 - Rehabilitation Loans
 - Limited Equity Housing Coops
 - Location Efficient Mortgages
- Strategies for Business Development
 - Commercial Land Trusts (for Retail and Non-Profit Offices)
 - Commercial Rehabilitation Loans

Developing a Framework for the Central Corridor—Next Steps

- Which tools from the Case Studies can be applied to the Central Corridor?
- What other tools need to be considered?
- How will Working Group members collaborate?
 - Are there tools/resources members need to have organizational discussions about involvement?
- Where do Working Group goals and resources fit with St. Paul Development Strategy?

Next Steps

- Continue analysis of the corridor to understand likelihood of change [Discussion today]
- Bring in examples from elsewhere to inform understanding [Discussion today]
- Understand Funders' priorities and goals [Discussion next meeting]

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