

Transit Oriented Development (TOD)

Currently 27 of the top 30 cities in the United States are planning or building mass transit systems. Development clustered near transit has become accepted as a smart way to plan and grow communities as highway traffic congestion continues to worsen in many of the nation's daily commutes, environmental sustainability advocacy grows, and housing in urban, active neighborhoods appeals to a wider market. Transit Oriented Development (TOD) refers to a cluster of uses – typically a mix of commercial, retail, office, residential, and entertainment – near a train station or other mass transit system connections. According to a Center for Neighborhood Technology, Reconnecting America, and Strategic Economics study based on 41 regions – 32 with transit systems in place and nine planning them – by 2030 some 16 million households will be living in or near transit-oriented developments compared to 6 million today. The same study estimates that by 2030, over half of the potential demand for housing near transit in St. Louis is likely to come from households that have incomes below the area median income (AMI) (roughly \$50,000).

The following chapter is based on a number of sources including:

- Interviews with city planners and nonprofit and private developers;
- Research publications and local newspaper articles;
- Portfolio overviews relating to specific development projects (e.g., Calthorpe Associates, Urban Edge);
- Project websites; and,
- Reporting by state transit agencies and other national planning and consulting organizations including the Urban Land Institute, Center for Neighborhood Technology, Brookings Institution, Center for Urban Transportation Research, Reconnecting America, Strategic Economics, and Economics Research Associates.

Characteristics

TOD's are conceived as transit-related projects that encourage or require mixed use. They focus on pedestrian-oriented environments with densities of 10 to 15 units per acre or above and reduced parking requirements. Other typical design characteristics include vertically mixing uses (e.g., retail on the ground level with residential and/or office on upper floors), active open space, and environmentally sustainable features. Another form of transit development is a Transit-Adjacent Development (TAD), which is oriented toward single-use development patterns and is proximate, but not necessarily oriented toward, mass transit options.

Developer Point of View

ERA research revealed that according to transit-based project developers, the following points are most important to look for when developing a TOD: supportive land use designation, potential rent premium, proximity to transit station, availability of tax incentives, extent of real estate nearby, public sector participation, location in an emerging real estate market, unsubordinated ground lease with public agency, reduced parking requirements, and non-credit, local tenants. The most frequently offered TOD-related incentives include:

- Density bonuses (New York City awards up to 20% FAR bonuses for developments that incorporate subway entry and station improvements);
- Relaxed parking standards;
- Land assembly;

- Tax-exempt bonds;
- TIF program funding;
- Underwritten land costs;
- Expedited review; and,
- Property tax abatement.

Benefits

A number of studies have been completed in an attempt to gauge the buyer-perceived advantage of TOD's as reflected in a willingness to pay a premium above average sales price. Study conclusions range from reporting transit accessibility has no effect on housing sales prices to having as much as a 30 percent premium. (Realtors quote a 15 percent premium – irrespective of condition – for housing with metro accessibility in the Washington D.C. Ballston-Rosslyn corridor and as any transit system expands, pricing premiums tend to increase). However, results depend on location (e.g. housing near transit in automobile congested or transit-dependent areas will likely capture a higher premium than housing with access to other equally efficient transit options) and to some degree, the pre-development level of ridership / acceptance of mass transit. Other social, economic, and health benefits of TOD's include:

- Density – Studies indicate that doubling density increases ridership by 60 percent (urban TOD's include moderate to high densities of 20-30 dwelling units per acre and FAR's of 1 to 5; of the selected case studies reviewed in this report, the lowest densities were 11 units on a 1-acre site and 12 units per acre averaged over 45 acres).
- Diversity of Uses – Mixed use development in suburban TOD locations generate 5 to 10 percent higher ridership than single use employment centers (e.g. office parks). This type of clustering generates a critical mass through mixing and clustering residential, retail, and office. In addition, the Center for Neighborhood Technology (CNT) reports that TODs may offer housing opportunities for lower-income residents given that they typically contain more rental housing than average neighborhoods in the same region (65 percent versus 39 percent) and have lower median gross rents (\$591 per month versus average \$657 per month).
- Market Acceptance – As there continue to be examples of successful TODs, the market is increasingly accepting TODs. New Urbanist / Smart Growth planning principles (street grids, pedestrian friendly TOD environments) increase ridership by 20 percent over conventional sprawl development. According to the Metro Denver Economic Development Corp., a public-private nonprofit group, land values around FasTracks light-rail stops designated for development have increased as much as 30%.
- Lifestyle / Environmental – TOD supports healthy lifestyles and environmental benefits such as recaptured commute time, walking, cleaner air, and sustainable practices.
- Shared Benefits – system utilization is directly correlated to development near transit stops. Studies generally conclude that residents living near rail stations are four to six times more likely to commute via transit than the typical commuter. In terms of the distance of the commute, renters will commute on transit a maximum of 30 minutes, while homeowners are willing to commute longer. And, as congestion and fuel prices increase, TOD's will grow in number and importance; likewise, increased ridership volume increases the value of a transit-oriented development.
- Market Niche – young professionals and empty nesters are attracted to TOD's for their contemporary and efficient designs, environmental sustainability, and proximity to transit.
- Green – TOD's have a strong capacity to incorporate green / LEED certified design, especially with the introduction of the LEED Neighborhood Design (LEED-ND) program that will potentially enable an entire planned development to qualify for LEED certification.

Challenges

To experience the benefits of TOD's, it literally takes a village: in Arlington County, Virginia, transit ridership only increased by 3 percent (50 riders) for every 1,000 dwelling units and by an average of 10 percent for every 100,000 square feet of office. Furthermore, TOD's are still not fully recognized by capital markets as an economic / market fundamental and are therefore harder to finance than conventional development. Other challenges of TOD's include:

- Market Acceptance – Transit is not a profit-driven system, but real estate is and capital markets will continue to focus on real estate fundamentals rather than larger environmental and public policy benefits of TOD's.
- Design – Design and development policies require careful thought to meet public and developer needs / expectations. Higher densities are harder to configure in suburban locations and can result in a “transit island.” Furthermore, the design of the public realm of TOD's is critical, especially for suburban locations (safety, attractiveness, and location within ¼- to ½-mile radius from transit). Incorporating environmentally sensitive design requires additional time and expertise; Cleveland's EcoVillage ended up writing their own project specifications to meet sustainable design needs).
- Financing – The level of required capital investment, retrofit of infrastructure, and business disruptions translates to higher costs. Further, there is intense competition for public funding for transit oriented development. Mixed use / urban design requirements require vertical mixing even though financing is typically easier for horizontal mixing.
- Planning / Timeline – TODs often experience a 10+ year delay before realizing results promised early on. Furthermore, TOD plans are often inflexible and don't allow for probable increases in densities 15 to 20 years later. If long term planning is absent, some catalyst TOD projects may become victims of their own success – higher values lead to higher rents and possible business / residential displacements.

Select TOD Projects

After an exhaustive search for case studies with comparable attributes to the St. Louis site (or ones with a valuable development lesson), ERA narrowed a list of over 50 projects down to the following projects selected for more in-depth review. Of the selected projects, the highest density was at the Egleston Crossing project in Roxbury, Massachusetts (92 units per acre) and the lowest densities were at Garden District Row in Charlotte (11 units per acre) and the Villages at Curtis Park in Denver (12 units per acre). A literature review supported this finding that the density of truly transit-oriented development is higher than surrounding community; in fact, a number of communities mandate this through transit overlay districts and other developer guidebooks and transit-oriented development “rules of thumb.” For example, the City of Charlotte has transit zoning districts that mandate a minimum housing density of 15 residential units per acre within a half-mile of a transit station and 20 units per acre within a quarter mile. Based on the Twin Cities Metropolitan Council’s 2006 guidelines, the **minimum** number of TOD residential units per acre at our site is between 15 and 25.

The following projects were selected based on having one or more characteristics in common with the St. Louis site. Most of the projects are located in areas with a high percentage of black residents or a high “diversity index” (a calculation based on levels of variation in resident race and culture). A number of projects were selected based on the incorporation of unique and environmentally sensitive design features such as energy conserving and recycled construction materials, units fronting internal courtyards, and residential / retail mixes.

The majority of projects featured served as catalysts to, or were incorporated into, area redevelopment / revitalization and most of the case studies were taken from areas that have experienced or recovered from economic challenges. Many are in areas with a history of crime, substandard housing, and abandoned storefronts (e.g. Compton, Curtis Park in Denver, Jackson Square in Roxbury) and in some of these cases, public participation and ownership have successfully leveraged affordable / workforce housing. ERA found these case studies to be particularly interesting to compare to the St. Louis site. Finally, of the states that have aggressively pursued TOD’s, California has lead by example and five of the selected case studies are located there.

Interestingly, a handful of the selected projects were constructed before a proposed transit stop – these projects, in other words, exemplify a “rail follows residential” scheme; whereas our site is retrofitting an existing light rail stop to include residential units and observing a “residential follows rail” scheme. It is common today for developers to build several years in advance of a planned station and is much easier to find examples of these types of projects. However, ERA predicts it is likely that as land serviced by light rail transit close to metro areas becomes scarcer, higher density residential will increasingly be developed in areas within walking distance of existing rail and bus transit stops.

The map on the following page illustrates the selected project locations, followed by a series of comparison tables that highlight demographic and project specific data.



The first comparison table shown below illustrates population data. As explained above, the diversity index measures levels of variation in resident race and culture, with a diversity index of “100” being very diverse and “0” being the least diverse / most homogeneous. Bold text indicates the next highest and lowest two values in comparison to our site. (Note: the demographics displayed are pulled from a 1-mile area around each site including the development site. As such, this measure may pull from surrounding neighborhoods with incomes, values, and diversity above or those in the project itself). Note that three comparable projects in terms of population are in Charlotte, North Carolina and the most comparable percentages of black population concentration are in Atlanta, East St. Louis, and Baltimore. The diversity index is highest at Willow Walk and MetroWalk in California.

Table 1. Case Study Comparison Table 1

Project	City, State	2000 Population	2006 Population	Change 00- 06	2006 Black Alone	2006 Diversity Index
Development Site	St. Louis, MO	9,611	9,249	-362	87%	25
Columbia Estates	Atlanta, GA	2,097	2,359	262	93%	16
Duncan Gardens	Charlotte, NC	10,190	11,160	970	67%	53
EcoVillage at 58th St.	Cleveland, OH	21,069	20,373	-696	19%	72
Egleston Crossing	Roxbury, MA	51,416	51,181	-235	41%	84
Garden District Row	Charlotte, NC	9,408	11,159	1,751	61%	54
LumberYard	Collingswood, NJ	19,992	19,727	-265	7%	38
Mandela Gateway	Oakland, CA	13,329	13,684	355	64%	69
MetroWalk / Richmond Transit Village	Richmond, CA South Pasadena, CA	18,316	19,564	1,248	38%	90
Mission Meridian Village	CA	22,172	23,143	971	4%	77
Parsons Place	East St. Louis, IL	5,983	5,662	-321	98%	5
Renaissance Walk	Hayward, CA	27,489	29,081	1,592	12%	87
Station North Townhomes	Baltimore, MD	55,360	53,743	-1,617	78%	39
Steel Gardens	Charlotte, NC	8,603	8,871	268	58%	66
Villages at Curtis Park	Denver, CO	19,900	22,657	2,757	28%	87
Water Tower Village	Arvada, CO	14,179	14,580	401	1%	42
Wesley Commons	Golden Valley, MN	5,618	5,763	145	6%	27
Willow Walk	Compton, CA	46,527	49,999	3,472	26%	93

Source: ESRI Business Analyst, Economics Research Associates (ERA)

The second table takes a closer look at estimated median home values and per capita incomes for the selected projects in comparison to our development site. Note the EcoVillage in Cleveland, Station North in Baltimore, and Steel Gardens in Charlotte comparability in terms of both home value and per capita income measures. Mandela Gateway in Oakland also has a similar per capita income to our project site, but higher home values – likely due to the California market and surrounding neighborhood appreciation.

Table 2. Case Study Comparison Table 2

Project	City, State	Median Home Value 2000	Median Home Value 2006	Avg Change 00-06	Per Capita Income 2000	Per Capita Income 2006	Avg Change 00-06
Development Site	St. Louis, MO	\$47,519	\$70,831	8%	\$13,994	\$17,236	4%
Columbia Estates	Atlanta, GA	\$61,724	\$81,458	6%	\$11,623	\$13,997	4%
Duncan Gardens	Charlotte, NC	\$98,250	\$138,288	7%	\$17,533	\$25,120	7%
EcoVillage at 58th St.	Cleveland, OH	\$64,392	\$81,268	5%	\$12,992	\$15,774	4%
Egleston Crossing	Roxbury, MA	\$203,027	\$380,325	13%	\$18,117	\$23,812	6%
Garden District Row	Charlotte, NC	\$141,301	\$175,758	4%	\$21,257	\$31,162	8%
LumberYard	Collingswood, NJ	\$107,468	\$212,527	15%	\$24,792	\$30,132	4%
Mandela Gateway	Oakland, CA	\$155,342	\$312,648	15%	\$13,222	\$15,029	3%
MetroWalk / Richmond Transit Village	Richmond, CA	\$109,409	\$219,593	15%	\$11,801	\$13,277	2%
Mission Meridian Village	South Pasadena, CA	\$347,321	\$950,000	22%	\$33,014	\$42,008	5%
Parsons Place	East St. Louis, IL	\$34,859	\$54,917	10%	\$9,916	\$11,558	3%
Renaissance Walk Station North	Hayward, CA	\$212,905	\$431,200	15%	\$20,386	\$24,041	3%
Townhomes	Baltimore, MD	\$57,909	\$128,229	17%	\$14,232	\$18,582	5%
Steel Gardens	Charlotte, NC	\$69,730	\$87,882	5%	\$14,174	\$17,514	4%
Villages at Curtis Park	Denver, CO	\$155,357	\$224,831	8%	\$17,211	\$23,053	6%
Water Tower Village	Arvada, CO	\$140,742	\$197,004	7%	\$19,058	\$23,886	5%
Wesley Commons	Golden Valley, MN	\$155,014	\$258,588	11%	\$31,750	\$39,059	4%
Willow Walk	Compton, CA	\$133,278	\$351,127	21%	\$8,602	\$10,051	3%

Source: ESRI Business Analyst, Economics Research Associates (ERA)

The final benchmark table concerns specific project parameters and is a guide to the range of selected projects in terms of pricing, units, size of development, density, and parking ratios.

Table 3. Case Study Comparison Table 3

Project	City, State	Pricing	List price / SF	Units	Acres	Density	Pkg
<i>Development Site</i>	<i>St. Louis, MO</i>	-	-	-	40	-	-
Columbia Estates	Atlanta, GA	\$700-\$850 / month	-	124	7	17	-
Duncan Gardens	Charlotte, NC	\$118,000-132,000	\$112-\$137	43	2	29	-
EcoVillage at 58th St.	Cleveland, OH	\$180,000-\$265,000	\$111	25	1	22	-
Egleston Crossing	Roxbury, MA	\$836-\$1,061 / month	-	64	1	91	0.8
Garden District Row	Charlotte, NC	\$449,000+	\$233-\$247	11	1	11	-
LumberYard	Collingswood, NJ	\$240,000-\$470,000	\$228-235	120	4	30	1.5-2.1
Mandela Gateway	Oakland, CA	\$135,000-\$230,000; \$590-\$1,100 / month	\$178-198	168	5	34	1.0
MetroWalk / Richmond Transit Village	Richmond, CA	\$265,000-\$375,000; 115 units at below market.	\$190-240	231	17	14	1.5
Mission Meridian Village	South Pasadena, CA	\$355,000-\$839,500	\$348-429	67	2	40	1.6
Parsons Place	East St. Louis, IL	\$185,000 \$265,000-\$275,000 affordable;	- \$203-229 affordable;	171	30	6	1.5
Renaissance Walk Station North	Hayward, CA	\$505,000-\$530,000 mkt rate	\$347-\$351 mkt rate	46	2	28	-
Townhomes	Baltimore, MD	\$400,000-\$500,000	\$190-240	32	1	36	1.0
Steel Gardens	Charlotte, NC	\$220,000-\$400,000	\$127-\$200	241	11	22	-
Villages at Curtis Park	Denver, CO	\$600-\$1,200 / month	-	550	45	12	-
Water Tower Village	Arvada, CO	\$150,000-\$240,000 \$170,000-\$350,000;	\$135-213	700	26	27	1.5
Wesley Commons	Golden Valley, MN	15 units at \$135,000	\$157-210	132	15	13	2.0
Willow Walk	Compton, CA	\$300,000+	\$257	136	7	21	2.0

Source: ESRI Business Analyst, Economics Research Associates (ERA)

The following pages summarize the projects listed in the table above, in alphabetical order.

Columbia Estates

Location: Atlanta, Georgia

Former Site: Perry Homes public housing

Unit mix: 124 affordable and market-rate rental units

Price points: \$700 to \$850 per month

Transit (Destination City): In location slated for future rail stop (Atlanta)



Columbia Estates is a HOPE IV project partnership between the Atlanta Housing Authority (AHA) and affordable housing developers Columbia Residential, LLC. The formerly blighted 460-acre tract is located within a 15 minute drive northwest of downtown Atlanta and used to have 1,072 public housing units, landfills, and railroad tracks. The Atlanta Housing Authority (AHA) leveraged a \$25 million HOPE VI grant through private-public partnerships to build 11 redevelopment projects worth \$450 million at the site and today “West Highlands” is a mixed-income, mixed-use community.

The 7.1-acre Columbia Estates was the first phase at West Highlands, with additional phases including: Columbia Heritage, a 132-unit mixed income senior housing development; Columbia Park Citi, a 154-unit mixed-income garden style apartment complex; Columbia Crest, a 152-unit mixed-use project with 5,000 square feet of retail space; and Columbia Grove, a 138-unit multifamily project. There are also plans for a public golf course, YMCA, day care, public library, and school on the site. At build out, West Highlands will have devoted about half (353) of its 700 units to public housing, a decrease from the 650 previously occupied units.

With 124 Tudor-style two- and three-bedroom townhouses and garden-style rental units, density at Columbia Estates is about 17 units per acre. Of the units, half are affordable (12 units are reserved for tenants earning less than 54% of the area median income; 50 are public housing units; and 62 are market-rate ranging from \$700 to \$850) and interspersed throughout the development. Two bedroom apartments range from \$715 to \$750 a month, and three-bedroom units are \$825. The variation in rental rates was designed to attract tenants of all income levels, especially families and that may be why almost every unit was pre-leased before the apartments were completed. (The range between market-rate and affordable unit rents is less than \$100).

Community amenities at Columbia Estates include a business center, laundry, community center with conference room, swimming pool, and fitness center. Former residents of Perry Homes, the public housing that was demolished to make way for West Highlands, had first dibs on the 124 apartments in the first phase at Columbia Estates; as of 2005 about 50 out of 694 families decided to move in. Columbia achieved full occupancy in less than four months, according to the developers. Tenants are a 50-50 mix of old and young, and about 95 percent are black. Median household income in a 1-mile area around the development was estimated to be \$24,000, roughly \$10,000 less than our site. Similarly, per capita

incomes were around \$14,000 (compared to \$17,000 at our site). Despite a low diversity index of 16, a large majority of the area, 93 percent, is Black.

The total development cost for Columbia Estates was \$12.6 million. The project was financed through a \$3.8 million HOPE VI loan from AHA (AHA used HOPE VI dollars to pay to relocate hundreds of families to other affordable housing, demolish existing Perry Homes public housing, and clear the land); a first mortgage from Washington Mutual; \$5.9 million in low-income housing tax credit equity from Boston Capital; and \$400,000 in deferred developer fees. According to the developer, several points were crucial to Columbia Estates' success: the tax credit allocation from the Georgia Department of Community Affairs, partnership with the public housing authority, and getting a property tax exemption on some of the proposed mixed-income units.

Duncan Gardens

Location: Charlotte, North Carolina

Former Site: Blighted

Unit mix: 24 condo flats and 19 townhouses

Price points: \$118,000 - \$132,000

Transit (Destination City): In location slated for future rail stop (Charlotte)



City planners in Charlotte were interested in revitalizing Optimist Park, one of Charlotte's first entirely working-class suburban districts, and believed new residential construction combined with existing houses was a good strategy toward reducing crime and blight. Duncan Gardens, a \$6 million project on a 1.5-acre site in Optimist Park, was planned soon after a study conducted by Advantage Carolina concluded the area could absorb up to 5,000 new homes and 450,000 square feet of offices and shops. It is located five blocks north of the Garden District, a recently revitalized area, and within walking distance of a future light rail stop on 16th Street.

The 24 condo flats and 19 townhouse-style units at Duncan Gardens are in six buildings and range from 800 to 1,181 square feet. The first completed building was Rosa Place with units from \$126,000, with four one-bedroom, one-bath townhouses beside an existing house. Camellia Place followed, with units starting at \$118,000 and consisting of two three-story buildings with 12 one-bedroom, one-bath, and 12 two-bedroom, two-bath. The second and third floor units will have skyline views from balconies. Finally, Azalea Place, currently sold out, consists of three two-story buildings, each with five 2-bedroom, 2 ½-bath townhouses starting at \$129,000. Middle-income singles, young couples, small families, and other buyers that couldn't afford typical center city prices were attracted to Duncan Gardens, especially because the city provides financial assistance of up to \$20,685 for eligible buyers.

Resale prices in the area have reportedly been steadily rising (most notably in the Garden District), and the neighborhood has a lower crime rate more in line with the Charlotte's average. Population and median household incomes within a 1-mile distance of the site are estimated at 11,000 and \$35,700, in 2006, respectively – similar to our site in St. Louis (9,250 and \$33,200, respectively). Median home values are near \$140,000 and per capita incomes are roughly \$25,000 – both higher than our development site. The diversity index of 53 is higher than our site, but the share of black residents is lower at 67 percent compared to 87 percent. Density is about 29 units per acre, one of the higher of the selected case studies.

EcoVillage Townhomes at 58th Street

Location: Cleveland, Ohio

Former Site: 10 dilapidated single-family houses

Unit mix: 20 town homes; 15 with accessory dwelling space for rental

Price points: \$180,000 - \$265,000

Transit (Destination City): RTA Red Line (Cleveland)



The EcoVillage Townhomes were chosen as a case study for development objectives focused on sustainability as well as its position as an urban infill project in a formerly blighted neighborhood. (The EcoVillage is actually a larger designation in the Detroit Shoreway neighborhood; the 20 EcoVillage Townhomes at 58th Street are described in this case study).

In 1997, EcoCity Cleveland and Detroit Shoreway Community Development Organization (DSCDO) presented their concept of integrating mixed-income, dense infill development with sustainable building materials and energy efficiency to the Detroit Shoreway community, a racially-mixed, mixed-income neighborhood on the west side of Cleveland. The community was supportive of the plans and by 2004, RTA had renovated the adjacent West 65th Street Station to be environmentally sustainable and EcoCity Cleveland and DSCDO had built 20 townhomes in the place of 10 dilapidated homes. The EcoVillage Townhomes are between two and three stories; the 5 2-story units average 1,600 square feet and the 15 3-story units average 2,400 square feet. Developers included stepped down, walk-in English basements in the 3-story units, which homeowners may rent out as apartments to increase the affordability. Due to energy-saving elements such as controlled ventilation, non-toxic and recycled building materials, solar panels, and high-efficiency furnaces, DSCDO found the average bill to heat and cool an EcoVillage Townhome was about 50 percent less than that of a standard home in Cleveland.

Demographics – Based on a project site of about 2 acres (and DSCDO assumptions that five of the English basements are occupied as additional rental units), the Townhomes have a density of about 22 units per acre. Median household and per capita incomes (\$26,000 and \$16,000) are below that of the St. Louis project site; diversity index is much higher at 72.

Pricing – Sales prices range from \$180,000 to \$265,000 or an average of about \$111 per square foot. Based on average construction costs of \$94 PSF, this represents a roughly \$18 PSF net revenue. (Note: area construction costs were \$85 PSF, about \$10 PSF less than EcoVillage. High efficiency furnaces and water heaters, windows, and durable materials such as brick and stucco all contributed to the higher PSF costs). Despite not having affordability requirements, the EcoVillage townhomes were affordable to people earning about 80 percent of the area median income (AMI.) when they were complete.

Transportation – The EcoVillage Townhomes have access to three major bus routes that connect to locations throughout Cleveland as well as Cleveland’s red line Rapid Transit line which connects to major employers downtown (a ten minute commute), at the airport (20 minute commute), and other locations including Case Western Reserve University. A year after EcoVillage owners moved in, the RTA reported an 8 percent increase in ridership along the red line. Beyond its location near bus and rail transit, EcoVillage has enhanced connections within the development: an improved pedestrian footbridge connects the rail station with the townhomes; the rail station has bicycle storage and links to the bus stop; and there is a one mile walking path through the area surrounding the rail station.

Successes – All 20 townhomes were sold when the EcoVillage opened in 2004 (80% sold before completion of construction), and currently, all of the townhomes are occupied. According to the project manager, the quality of EcoVillage was driven by new project specifications (the team could not find project specifications with environmental considerations for resource-efficiency, so they wrote their own) and thorough architectural drawings and construction details (more than 60 pages) include complete framing layouts and detailed cross sections for every wall assembly.

According to DSCDO, EcoVillage has been successful for a number of reasons: the partnership between EcoCity Cleveland, DSCDO, and the RTA based on creating environmentally and economically sustainable development, density that can support transit, City assistance with variances, permits, design, and technical aspects of the project, amenities such as the Ithaca Court community garden, and a new neighborhood identity that has been accepted by residents. The EcoVillage townhomes and adjacent 65th Street Rapid Transit rail station have also stimulated new development. Side Street consists of 9 residential townhomes and Courtland Court’s 16 units are two examples of new projects located in the immediate area.

Funding – A variety of sources financed the EcoVillage Townhomes: the City of Cleveland contributed \$200,000 in Housing Trust Funds and \$50,000 through a Community Development Block Grant that provided a 15-year tax abatement; the Environmental Protection Agency gave DSCDO a grant to hire an EcoVillage project coordinator; a \$75,000 Solar Electric Power Association Grant; and additional support from private foundations such as the Cleveland Foundation, George Gund Foundation, and the Wean Foundation.

Egleston Crossing

Location: Roxbury, Massachusetts

Former Site: Brownfield redevelopment

Unit mix: 64 affordable studio, 1-bedroom, and 2-bedroom units; 8,300 SF commercial

Price points: Affordable (\$836-\$1,061 per month rents)

Transit (Destination City): Metrorail Orange Line (Baltimore)



Part of a larger community-driven redevelopment effort that incorporates TOD and green design elements, Egleston Crossing is developer Urban Edge’s third development in the Jackson Square neighborhood since Urban Edge was founded in 1974. Egleston Crossing is a mixed-use brownfield redevelopment project located in the heart of the neighborhood commercial center. Gross density is about 92 units per acre. Two vacant and derelict buildings were demolished to erect a 62,000 square foot building with 44 residential units on four floors, on-site garage parking, and ground floor retail, in addition to a 27,000 square foot three-story building with ground floor commercial space and 20 apartments. Over 40 percent of residents within a mile of the Egleston Crossing project are black, the third highest share of all nine selected case studies, but still vastly below our development site’s 87 percent black within a mile. This relatively high share helps boost the “diversity index,” a standard measure of how ethnically and racially diverse a community is, to 84. Median household values in a 1-mile area around the project are estimated to be about \$380,000. Egleston Crossing is located within a ten minute walk to two mass transit stops on the Orange Line (Stonybrook and Jackson Square) and is serviced by four bus routes.

Egleston Crossing consists of two buildings: 44 2-bedroom units on a 0.41-acre site and 20 units (16 one-bedroom and 4 studios) on a 0.29-acre site for an average density of 92 dwelling units per acre. 15 of the units will be dedicated to homeless individuals. The 44 apartments include 6,800 square feet of retail and 32 parking spaces dedicated to residents on a first-come, first-serve basis; the slightly smaller site includes 1,500 square feet of retail and 15 parking spaces. Unit sizes range from an average of 542 square feet for a studio, 655 square feet for a 1-bedroom, and 933 square feet for a 2-bedroom. Of the 4 retail spaces, 2 are occupied. Rents range from \$836 per month for a studio to \$1,061 for a 2-bedroom apartment. Parking is on a first-come, first-serve basis and the parking ratio averages out to 0.75 spaces per unit – the lowest of all the case studies.

This case study was in part chosen for its incorporation of green building design. Through a feasibility study, the Urban Edge developers discovered an overall energy savings of 59 percent was achievable by integrating water conservation and stormwater management, passive solar heating (solar PV panels), high performance windows and insulation, locally-made and recycled materials, and other energy-saving

features. According to Urban Edge, it is best to take a “systems approach” to green design that relies on regular meetings with the architect, contractor, and developer to help mitigate mistakes and miscommunication. They emphasized the difference between a) hiring a LEED-certified architect with green design / building experience; and b) hiring an architect who is open to green design along with a mechanical consultant to guide the process. Urban Edge believes the former, hiring an experienced designer who understands the challenges and opportunities of green building, is worth the slightly higher upfront costs of developing (incremental costs in terms of design should not increase significantly). In one example, Urban Edge’s consultants discovered that the solar panels on the roof could not be connected to the individual units because each unit is individually metered (as a result, the panels only serve the common areas) and at another point, it became apparent that contractors had disregarded instructions to use certified sustainably harvested wood products.

Completed and occupied in 2004, Egleston Crossing was a \$20 million dollar project, completed with 22 sources of financing. The target market for residents is formerly homeless individuals and elderly and / or families with a disability. Maximum income of tenants is 30 percent of the area median income (AMI). Urban Edge advises handling the majority of non-incremental green building up front and then seeking additional funding sources. In general, there is a challenge with building green ownership units because of lifecycle costs, which are basically irrelevant in an ownership situation because developer revenue is capped, whereas rental income is not. Furthermore, there is generally wider funding support for rental projects because they are available to lower income residents (e.g., many of the Energy Star and other green building incentive programs only apply to developments including units for those under a certain percentage AMI).

Garden District Row

Location: Huntersville, North Carolina

Former Site: older homes

Unit mix: 11 single family homes

Price points: \$450,000 - \$475,000

Transit (Destination City): In location slated for future rail stop (Charlotte)



While sales prices for single family homes at the \$5 million Garden District Row development are comparatively high, ERA was interested in this case study for other similarities: the former site consisted of older single family homes in rough shape, a neighborhood undergoing revitalization, and a future light rail stop is planned within walking distance. Garden District Row is part of the Garden District, a 12-acre neighborhood between 9th and 11th streets in the Garden District or First Ward of Charlotte, within walking distance of an NBA Arena, entertainment complex, and Uptown neighborhood amenities. Although units make use of rear alleys and reduced setbacks, this selection has the most suburban feel to it with 25-foot wide lots, single family detached homes, and private gated courtyards. At 11 units per acre, Garden District Row has the lowest density of the selected developments (which is clear in the unit rendering and photo above).

Four older single-family homes on the 1-acre lot were demolished to build the eleven 2-, 3- and 4-bedroom homes with 2.5 and 3.5 baths priced from \$450,000 to \$475,000. Two floor plans are available, a smaller 1,818 square foot plan with a one-story porch on the main level and a larger 2,035 square foot plan with a two-story porch with views of Uptown Charlotte from the first and second floors. Both plans include gas fireplaces, 42-inch cabinets, granite countertops, stainless steel appliances, hardwood floors, ceramic tile baths, and a two-car garage with access through the rear alley.

Sales advertisements highlight Garden District Row as the last new single family development in Charlotte's Center City and warn that with the price of land and construction, low-density designs as close to the city and transit as this will be hard to come by. As of early 2007, only 2 houses remained unsold.

While median household incomes in the area are comparable to the St. Louis project site at \$37,000, per capita income and median housing value are roughly double in both cases to average values within a mile of the St. Louis site.

Lumberyard

Location: Collingswood, New Jersey

Former Site: Vacant / underutilized

Unit mix: 120 1,020-2,060 SF townhomes and condominiums; 29,000 SF retail

Price points: \$225,000-\$470,000 plus a monthly condo fee of \$225

Transit (Destination City): PATCO (Philadelphia)



The Lumberyard Condominiums are included within the Transit Village & Downtown Redevelopment Area in the borough of Collingswood, New Jersey. Lumberyard is part of Collingswood's urban transit redevelopment program along the commuter rail line servicing the metro Philadelphia region. With a site area of 4 acres, LumberYard has a 30-unit-per-acre density handled through 3 buildings with 120 units. Key project elements include a four-acre redevelopment tract assembled by the borough over five years that includes a former lumberyard and several other parcels designated for redevelopment.

The diversity index, measuring the ethnic and racial composition of a population, is comparatively low for Lumberyard at 38. Just 7 percent of residents within a mile of Lumberyard are black, the third lowest share of all nine selected case studies, and well below our development site's 87 percent black within a mile.

Design – The design of Lumberyard has been hailed as smart urban design with a five-block walk to the PATCO Hi-Speed line, no surface parking lots (parking is onstreet or in the parking garage), and local architecture featuring brick and stone facades with landscaped courtyards and roof terraces. Units range from 1- to 3-bedrooms and from 1,020 to 2,060 square feet. Each has access to various amenities including courtyards, patios, secure entryways, and 29,000 square feet of street-level shops and restaurants. There are a total of 384 below-grade parking spaces, of which 132 will available to the public. The parking ratio ranges from 1 to 2 spaces per unit, depending on number of bedrooms. Parking is hidden from view to preserve the streetscapes with vintage street lamps, brick paved walkways, and public gathering places.

Target Market – A market analysis prepared for the developer determined that empty-nesters and retirees comprise 51 percent of the target market for new condominium units in the project area; another one third of the target market is comprised of younger singles and couples, many of whom would be attracted by the short walk to the PATCO train station in their decision to buy; and the remainder of the target market is made up of traditional and non-traditional families drawn primarily from other communities in the same county. The upper level residential area is being marketed to young professionals and empty nesters, while retail units are expected to meet the borough's demand for new stores and restaurants. Residential price points are between \$240,000 and \$470,000 (plus \$250 monthly condo fees) and from

\$228 to \$235 PSF. Median household values within a mile of the project are estimated to be about \$213,000, up from \$107,000 in 2000.

Absorption – The developer, Lumberyard Redevelopment LLC, plans to deliver the project in three phases in response to market demand. The project broke ground in early 2006, and the first homeowners are expected to move in during the fall of 2007 with completion of the entire project expected by 2008. Public interest in the Lumberyard has reportedly been very strong and according to one newspaper article, “What had been a sedate, somewhat fading inner-ring suburb has become a regional, statewide and even national example of how to revitalize a traditional town center.” According to the builder, Costanza Builders of Cherry Hill, over 90 percent of the residential units and all of the retail units in the first building have been reserved.

Financing – Ten institutions came together to finance the \$54 million Lumberyard project. In addition, the borough (Collingswood) gave the land cleared of buildings and all environmental impediments, exempted the project from low- and moderate-income housing requirements, spent \$3 million on infrastructure, bought back municipal parking for \$3.7 million, granted a \$5 million bridge loan and a 5 to 8 year lapse for full county and school shares of property taxes. If all goes well, the project will generate \$3 million in profit, one-third of which is the developer’s share and the remainder will go to Collingswood. The estimated value for project design and construction is \$40 million. Before the redevelopment, the former lumberyard and its neighbors generated \$22,000 a year in local taxes. Five-plus years from now when the tax abatement expires, the borough expects to collect at least \$250,000.

Mandela Gateway

Location: Oakland, California

Former Site: Substandard housing

Unit mix: 168 affordable units; 20,000 SF retail

Price points: \$590 - \$1,100 per month; \$135,000-\$230,000

Transit (Destination City): BART / Caltran (San Francisco)



Mandela Gateway is a HOPE VI project located on 5 acres near the BART West Oakland station (the final stop before San Francisco Bay and one stop west of downtown Oakland). Viewed as a potential catalyst for improving the overall character of the surrounding neighborhood which has been in decline ever since construction of the ill-fated Cypress Freeway, Mandela Gateway replaces 46 run-down homes with 168 affordable units, 20,000 square feet of retail space, an outdoor playground for children, community facilities for local residents, and town squares at both corners of the gateway at a density of 34 units per acre. Most of the homes are accessed from a gated courtyard, but the 18 with individual entrances on 8th Street are more connected to other homes in the neighborhood. Each unit has 1 garage space and there are 57 spaces allocated to 14,000 square feet of retail (1 space per 265 sf retail).

The Mandela Gateway project was developed through a partnership between Bridge Housing Corporation and the Oakland Housing Authority. A former distressed public housing project run by Oakland Housing Authority was demolished on part of the property, but additional sites needed to be acquired to make the project large enough to become a redevelopment anchor. After a five-year campaign to acquire the financing and land necessary, which included convincing the California Department of Transportation to sell its 2.2-acre park-and-ride lot (Caltran wanted fair-market value for its land as well as replacement parking), Mandela Gateway was completed in 2005. The \$52 project was funded by \$35 million in private financing, \$10 million in HUD public housing funds, and \$7 million in other public funds from the City of Oakland.

Despite relatively low per capita income (\$15,000 in 2006), median home values within a mile of Mandela Gateway have increased from \$155,000 in 2000 to an estimated \$313,000 in 2006. Over 60 percent of residents within a mile of the project are black, the third highest share of all nine selected case studies, but still not as concentrated as our development site's 87 percent black within a mile. This relatively high share supports a diversity index of 69.

The rental units range in size from one- to four-bedrooms and rent from \$590 to \$1,100 per month (a bargain considering area rents range from \$1,000 to \$1,800 per month). They will be leased to households which do not exceed an annual income of \$48,000 (for a family of four). The ownership homes include ten townhomes and four condo flats that will be made available at a price starting at \$135,000 and ranging up to \$230,000 (\$178 - \$198 PSF). Prospective homeowners cannot have an income in excess of the area median. Although the neighborhood supports a small grocery store / market, most of the other planned retail space has remained vacant since the project was completed. As of

January 2007, all of the office/retail space was empty except for a Subway, a credit union, and the sales / leasing office.

Following the development of Mandela Gateway in 2004, a number of new projects in the immediate area have come online, including a 1,200 unit mixed-use project at the former American Pipe site and a 900 unit mixed-use single-family lofts and multi-family rentals project on the former 23 acre Southern Pacific Railroad site. In addition, a number of development options for other adjacent property have been identified including: a public safety complex, retrofitted office, warehouse/showroom space, and a five-story, 120,000 square foot building with ground floor retail and restaurant and 164 condo units.

MetroWalk / Richmond Transit Village

Location: Richmond, California

Former Site: Vacant

Unit mix: 231 townhouses & live-work units; 20,000 square feet of retail space; 3,700 square foot inter-modal transit station; and an 800-space garage facility

Price points: \$265,000-\$375,000

Transit (Destination City): BART, Amtrak (Sacramento, San Jose)



Designed by Calthorpe Associates and built by the Olson Company, Metrowalk at Richmond Transit Center (also referred to as Richmond Transit Village) is a 16.7-acre TOD within a two-minute walk to the BART/Amtrak station where residents can take either BART or one of the eight California Corridor Amtrak trains that travel between Sacramento, Emeryville, and San Jose. The Olson Company is one of the 15 largest home builders in Orange County and specializes in in-fill development near transit. With 38 percent of residents within a mile of the project being black and a significant percentage Hispanic or Latino, Metrowalk has the highest diversity index of all nine case studies at 90.

Construction of the residential portion at Metrowalk was divided into ten phases of ten to fifteen units each at a density of 14 units per acre. The three residential designs include: 69 Career Homes, 30 Villas, and 33 Bungalows for between \$190 and \$240 PSF. In addition to 231 townhouses and live-work units, MetroWalk includes 20,000 SF of storefront retail and a 30,000 SF cultural center. The parking ratio is 1.5 per residential unit; 3 spaces per 1,000 gross sf retail and there is an 800-space parking garage that is part of the intermodal station.

The least expensive option, the 1,395-1,432 square foot Career Home, is a narrow (16 foot), three-story unit with a 12 x 16' office on the ground floor, directly in front of a two-car, 16 x 40' garage that is accessed from a rear alley. All of the units face Marina Way or Nevin Plaza (the pedestrian mall) and have a living/dining room/kitchen and bedroom/den on the second floor and two bedrooms on the third floor. Prices started at \$265,000. Sales agents report that most of the buyers of these live/work townhomes have business plans and intend to use the spaces for retail or office space. The Career Home design reportedly was the fastest selling.

The Villa is a wider (24 feet) unit with slightly more square footage (1,439-1,456 square feet). It has a wide but shallow porch in front of a 16 x 24' bonus room that is designed to serve as a home office or a third bedroom. A standard two-car garage takes up the rest of the first floor. The second floor serves as the kitchen/dining/living room, with the third floor housing two bedrooms. Twenty-one of the villas face the central park, but back up to a relatively busy street or the BART train tracks. The remaining nine Villas front Nevin Plaza with their backs facing a city parking lot. Prices are up to \$350,000.

The most expensive option—the Bungalows—tend to be the best placed units, located either on the central park or on a small circular park at the south end of the development. Bungalows are somewhat

narrower than the Villas at about 21 feet and have a floor plan similar to the Villas, but with four possible bedrooms and a total of between 1,550 and 1,615 square feet. Like the Villas, the Bungalows have a small front porch with a first floor home office or bedroom in front of a two-car garage. The second floor is also similar to the Villas, with a small bedroom, and the third floor has two bedrooms. Average Bungalow prices were about \$375,000.

With some prices under \$300,000, homes at Metrowalk were one of the biggest bargains in the Bay Area; however, median home values within a mile of the project site were comparable at \$220,000. The prices reportedly increased considerably during the sales period, with some units increasing by more than \$100,000. Sales opened in June 2003 and the project was sold out by January 2005, with initial absorptions between 12 and 20 per month. Strategic Economics Corp. identified buyers as a mixture of couples and young families – mainly first time homebuyers attracted to the size of the units and amount of parking for a reasonable price. The sales manager at Metrowalk also reported a unique tradeoff option: buyers can choose to help finance their purchase by giving up one of their autos and save \$500 per month in gas and car payments.

Despite limited competition (residents do not have much retail within walking distance), the retail portion of Metrowalk has struggled somewhat and relies on commuters moving through Nevin Plaza to support itself. The City is hoping that the three designated retail sites along Nevin Plaza will be fully occupied soon.

Mission Meridian Village

Location: South Pasadena, California

Former Site: Underutilized neighborhood prime for revitalization

Unit mix: 13 one-and two-bedroom flats (800 to 850 square feet), 14 lofts (850 square feet), two story town-homes, three-story town homes, and three detached patio homes (2440 square feet), and 5,000 square feet of retail.

Price points: \$355,000-\$839,500

Transit (Destination City): Metro Pasadena Gold Line (Pasadena and Los Angeles)



Mission Meridian Village is located between a traditional neighborhood and a historic neighborhood center in the process of being revitalized and is within walking distance of art galleries, antique stores, post office, library, and the city hall. It is a 1.7-acre development adjacent to a light rail station on the Gold Line between downtown Los Angeles and Pasadena. Trains depart from the station every 10 minutes during commuting hours and it is a 20 minute commute to Union Station. Despite having a very low concentration of black residents, the population within a mile of The Village supports a diversity index of 77, one of the highest of all of the case studies. This is likely due to a higher share of Hispanic and Latino residents in the area. Median home values in the area have increased dramatically from \$347,000 in 2000 to an estimated \$950,000 in 2006. This is compared to the Mission Meridian Village price points between \$355,000 and \$839,500 (\$348 - \$429 PSF).

The 221,330 square feet of building area consists of 67 condominiums at a density of 40 units per acre. This includes: 13 one-and two-bedroom flats (800 to 850 square feet), 14 lofts (850 square feet), two story town-homes, three-story town homes, and three detached patio homes (2440 square feet), and 5,000 square feet of retail. The various courtyard housing, single-family houses, duplexes, and mixed-use lofts arranged on the 1.65-acre site generate a streetscape that mediates between the commercial character of the existing neighborhood center and the residential scale of the California bungalows surrounding the project. As they move up the block, architects Moule and Polyzoides purposely “stepped down” the facades from commercial with brick, to multi-family with a traditional design opening to landscaped interior courtyards, to single-family residences to be more consistent with pre-existing designs of nearby bungalow homes. The 14 lofts are located above retail shops on the upper floors of a warehouse-like building with a brick facade that matches those on the adjacent Mission Avenue. Price points at Mission Meridian Village are as follows: one-and two-bedroom flats (800 to 850 square feet for \$334,000); lofts (850 square feet for \$365,000), two story town-homes (\$435,000 to \$575,000), three-story town homes (\$639,000) and detached patio homes (2440 square feet for \$850,000).

After residents expressed concern with avoiding national retail chain tenants, the developer assembled a set of tenants of local origin such as Heirloom Bakery and Cafe, a flower stand, a fitness gym, and a shop selling locally manufactured jewelry. Other retail includes a Trader Joe's and several coffee houses and small restaurants. Parking consists of two levels of underground parking with 105 spaces for Village residents and guests and a separate 175-space garage for local shoppers and commuters. There is also a bicycle store and storage facility designed to accommodate commuters.

Mission Meridian Village was completed in 2005 and all of the residential units and retail space are currently occupied. Sales have been brisk – when presales opened, more than 400 people reportedly tried to buy at Mission Meridian Village, largely because the prices were bargains when compared to outlying areas. The 14 lofts sold out in 25 minutes and in just over a week, all 67 residences were sold out with a waiting list of an additional 180 buyers hoping to purchase units.

The project is valued at \$25 million. Financing and role of subsidies consists of: \$5 million in public funds (City of South Pasadena, LA County MTA, Caltrans), \$5 million in Developer and Mezzanine Equity, and \$11 million in Construction Financing

Parsons Place

Location: East St. Louis, Missouri

Former Site: Abandoned

Unit mix: 174 affordable units

Price points:

Transit (Destination City): Emerson Park MetroLink Station



McCormack Baron Salazar and the Emerson Park Development Corporation partnered to develop this multi-family rental mixed income development located on roughly 30 acres in the City of East St. Louis' Emerson Park neighborhood. The first phase included 171 units of one, two and three-bedroom apartments in 58 tri-plex buildings, 75% of which were leased under the low-income housing tax credit program with the remaining 25% leased as market rate apartments. The recent groundbreaking of the second phase of the project will comprise of 102 rental apartments. The Illinois Housing Department Authority provided the first mortgage and U.S. Bancorp was the equity partner. The City of East St. Louis provided \$2 million in TIF funds. The development is bounded on the south by MetroLink and has attracted roughly 350 residents to an area initially populated by only 50 residents. It is projected that up to 3,000 commuters a day use the MetroLink station. There are plans for additional single-family homes. The new neighborhood is anchored by a swimming pool, a large park and community center, and the Jackie Joyner-Kersey Boys and Girls Club.

Funding Sources (Millions)

IHDA First Mortgage \$ 3.85

IHDA Trust Fund Loan \$0.5

State of Illinois \$4

Corporate Donations (community loan) \$2.5

Danforth Foundation \$1

Equity \$9.25

Subtotal \$21.1

City of East St. Louis (TIF) \$1.5

Enterprise Community and Empowerment Zone \$2

Total Development Sources \$24.6

Uses of Funds (Millions)

Hard Costs \$16

Soft Costs & Contingency \$5.1

Subtotal Onsite Development Costs \$21

Public Improvements and Site Preparation \$3.5

Total Development Costs \$24.6

Renaissance Walk

Location: Hayward, California

Former Site: Abandoned / Vacant

Unit mix: 46 living units, 22 affordable; 24 market rate

Price points: \$265,000-\$275,000 affordable; \$505,000-\$530,000 market rate

Transit (Destination City): Hayward BART station (Oakland / San Francisco)



Renaissance Walk is located on 1.7 acres in Hayward in the East Bay of the San Francisco Bay Area within walking distance of one of Hayward's two Bay Area Rapid Transit (BART) stations. Over one-third (35%) of residents within a mile of the Renaissance Walk project are Hispanic or Latino (of any race), pushing the diversity index to 87.

Renaissance Walk was constructed on formerly vacant, underutilized city block bounded by C Street, D Street, Atherton Street, and Watkins Street. In a public-private effort, the Olson Company built 46 condominium units on the site in a series of four-plex, tri-plex, and duplex buildings in traditional California styles. The project was completed in the summer of 2005 at a density of 28 units per acre.

Once fully completed, the project will consist of 46 townhomes and flats: 24 market rate three bedroom/two and a half bath units priced between \$505,000 and \$530,000 (\$347-\$351 PSF) and 22 below market rate two-bedroom units reserved for families earning a moderate income priced between \$265,000 and \$275,000 (\$203-\$229 PSF). These units will be kept affordable for 45 years through resale restrictions. Median home values in the area are estimated to be about \$430,000. Twenty market rate units have two-car tandem garages, and four have side-by-side garages.

Housing survey results indicate a large share of young households in the 25 to 44 age range, many of whom place a premium on living near BART. According to a market analysis completed for the City of Hayward in 2004 by Strategic Economics Corp., lofts and condos are priced lower than townhomes (on a per square foot basis). About half the units in Renaissance Walk sold for \$500,000 or more, while the other half sold in the \$260,000 range. Live/work lofts are currently selling for \$550,000; and condo-style lofts (high ceilings) are commanding \$505,000. Steady absorption and prices in the half-million dollar range demonstrate the popularity of downtown Hayward as a location.

Station North Townhomes

Location: Baltimore, Maryland
Former Site: Derelict townhomes
Unit mix: 32 rowhouses
Price points: \$400,000 - \$500,000
Transit (Destination City):



In Maryland, about \$2.1 billion worth of transit-oriented projects are under way or in the conceptual stage and a large share of this effort is taking place in Baltimore, where transit-oriented and transit-adjacent development standards are being more widely incorporated. For example, visioning for the 110-acre Eutaw District cultural, residential and employment center in Midtown Baltimore is “based on increasing mobility and sustainability” and stresses increased density near the transit stop. The City of Baltimore has also integrated TOD principles into their Comprehensive Master Plan and Smart Growth Reference Guide, providing developers with a TOD checklist in addition to other design tips (e.g., higher density than surrounding communities; horizontal and vertical mixing of uses; compact, pedestrian-oriented design; building orientation to the street; connected street pattern without super blocks or cul-de-sacs; system of open space; and, limited, managed parking). Baltimore is currently planning the Red Line, a 10.5-mile connector that would connect the existing subway, light rail, and MARC lines. City planners stated that growing evidence of development occurring in these areas, or the potential for development to occur will help the City compete for federal funding and state officials hope construction of the Red Line could start in 2010.

Developed by PennLofts, LLC, the \$10 million Station North Townhomes project is located on the formerly run down 1700 block of North Calvert Street in Baltimore two blocks from Penn Station and 35 minutes to Washington, D.C by train. Today, the site has 32 contemporary rowhomes (a density of 36 units per acre) with open floor plans, high ceilings, and large windows. The neighborhood is attracting a mix of young professionals, artists, and students due to a renewed cultural life and access to transit for 70,000 commuters connecting to major employers such as Johns Hopkins in East Baltimore and the airport. Despite having the second highest share of black residents within a mile of the project (77 percent in 2006), the diversity index is comparatively low at 39. (This is similar to the makeup of the population surrounding the St. Louis site, which has 87 percent Black alone within a mile of the site and a lower diversity index of 25).

There are four types of townhomes to choose from that range from approximately 1,675 to 2,640 square feet. The largest, the Grand Central, offers live-work and flex-space opportunities for artists and professionals or additional space for living or rental. All of the townhomes have attached garage parking and some units have an additional parking pad. Standard features include quality finishes and materials. Numerous options and upgrades are available.

Two of the 32 Station North Townhomes are reserved for low-income residents with disabilities. Price points (not including \$60 per month HOA dues) are as follows: The Penn - 1,674 SF; \$378,000 - \$428,900; The Union - 1,729 SF; \$378,900 - \$388,900; The Dearborn - 2,030 SF; \$378,000++ (Sold Out); The Grand Central - 2,455-2,900 SF; \$482,900-\$502,900. Twenty-three of the 32 townhouses sold for prices between \$378,000 and \$502,000 (\$190-\$240 PSF). This is relatively high, considering median home values within a mile of the site are estimated to be \$130,000 in 2006, and within the first two months of sales prices reportedly increased by over 30 percent. Buyers are reportedly mostly from Washington, the Baltimore metro area, and other existing city neighborhoods.

Steel Gardens

Location: Charlotte, North Carolina

Former Site: Industrial

Unit mix: 106 condos, 30 live/work units, 8 single-family homes, and 97 townhomes

Price points: \$220,000 - \$400,000

Transit (Destination City): In location slated for future rail stop at 36th Street (Charlotte)



Steel Gardens is a \$48 million neighborhood development located on 11 acres of formerly industrial land across from North Charlotte Park and within walking distance of a proposed transit station at 36th street. It is part of Charlotte's Historic Arts District known as "NoDa," an up-and-coming neighborhood in Charlotte. Steel Gardens has a mix of 241 single homes, townhomes, condominiums in four, four-story residential buildings with top floors wrapped in glass for panoramic, and live/work units.

Charlotte city government created regulations and policies designed for the proposed station areas (a half-mile radius around each stop). These areas are subject to zoning that includes a minimum density of 20 residential units per acre and the Historic North Charlotte Neighborhood Association supported rezoning of the Steel Gardens site because the project will have the density (22 units per acre) to support mass transit and offer a diversity of home prices. When buildout is complete (projected for 2008), Steel Gardens will consist of 102 condos ranging from 1,213 to 1,972 square feet and including 200- to 250-square-foot roof terraces with views of the skyline and priced from \$220,000 to \$250,000; 8 single family homes with a similar design to the neighborhood, ranging from 1,700 to 2,000 square feet, and including a two-car garage priced from \$325,000 to about \$400,000; 103 townhouses designed for buyers preferring to purchase a unit and lot combination; and 25 900-square foot live/work units in a restored 23,000-square foot warehouse starting at \$150,000. (The 600 square foot Herrin Oil Co. building on site is also likely to be restored as a small café or other commercial use).

Although many professionals have moved to the NoDa area because of its close proximity to downtown, the buyers at Steel Garden have included a diversity of buyers attracted to the diverse neighborhood, lower prices, and proximity to downtown Charlotte. Buyers can walk to NoDa shops and galleries and the proposed transit stop at 36th Street. By the end of 2006, the initial offering of 15 two- and three-bedroom townhomes were reserved or sold and another six have since opened to pre-sale and been reserved. Of all of the case studies, Steel Gardens has a notably similar demographic background to the St. Louis site. Population and median household and per capita incomes are all within a few thousand dollars of each other (8,900, \$35,300, and \$17,500, respectively within a mile of Steel Gardens).

According to real estate experts, Steel Gardens is a prime example of a site that is perfect for infill housing development that could increase neighborhood property values, especially along the light rail. However, developers say they are "depending more on the appeal of their dwellings than the promise of transit service for sales."

Villages at Curtis Park

Location: Denver, Colorado

Former Site: public housing

Unit mix: 550 rental and for sale units

Price points: \$600 - \$1,200 / month

Transit (Destination City):



The Villages at Curtis Park are part of a larger redevelopment Hope VI project undertaken by the Denver Housing Authority to rebuild several hundred mixed-income housing units throughout the formerly blighted Curtis Park / Five Points area. The Curtis Park / Five Points neighborhood has historically served as a critical transportation link between Denver’s Central Business District and the Stapleton International Airport. Today, developers of the Five Points neighborhood say it “the light-rail line is a big reason why the area is becoming more prosperous and safer” and diverse investment in the area is reportedly strong.

Located within walking distance of downtown Denver, the \$85 million Villages project will have a total of 550 rental and for sale units covering nine city blocks upon redevelopment completion. There are 223 units in Phase I and 125 in Phase II broken down into 50 units of public housing, 43 tax credit units, and 32 market rate units. The community includes a community center, 323 rental units, and 133 homeownership units. Rental prices range from \$600 to \$1,200 per month.

Density averages out to 12 units per acre and while the median household income is roughly the same as the project site in St. Louis, the home values are much higher – this is likely due to the 1-mile area averaging prices from surrounding neighborhoods with higher valued homes. At 87, the Villages diversity index is comparatively high.

Water Tower Village

Location: Arvada, Colorado

Former Site: Blighted

Unit mix: 360 multi-family; 340 rental units

Price points: \$150,000 - \$300,000; \$790 - \$1,400 / month

Transit (Destination City): Gold Line (Denver)



Water Tower Village is a New Urbanist, pedestrian oriented community located outside of Denver on a formerly blighted 26 acres near Olde Town Arvada. Prior to redevelopment, this area was experiencing problems related to older housing stock (lead-based paint, toxic mold, asbestos) and the highest crime rate in the city (domestic violence, car theft, and drug activity were common). Today, Arvada is promoting its three light Gold Line rail stations, including one in its historic core, and developing Water Tower Village, a 26 acre parcel adjacent to Olde Town that is being redeveloped into a high-end residential village with 360 multi-family and 340 rental townhomes, rowhouses, and lofts ranging from 800 to 1,400 square feet.

Responsible for revitalizing about 400 designated acres throughout Arvada, the Arvada Urban Renewal Authority (AURA) assembled the property, performed the environmental cleanup, demolition, and installed infrastructure and two pocket parks. AURA also paid to relocate about 75 families from 16 apartment buildings and 15 single family houses (\$5,250 to each family above the cost of acquiring the land), a process that enabled 16 percent of residents to become first time homeowners. The Water Tower Village is a \$100 million project, \$20 million of which is being provided through AURA in the form of tax increment financing and the remaining \$80 million is being financed by private investors.

AURA sold the western portion of the village to Norstar Residential to develop 270 for-sale homes and Norstar began construction in June for three different styles of homes: rowhouses, lofts, and cottages, each with an attached 1- or 2-stall garage. The 72 cottages will be clustered in 12 buildings of 6 units per building. They are priced from \$160,000 to \$180,000 and range in size from 1,070 to 1,174 square feet. There are ranch and two-story plans available for one-bedroom with a loft and two-bedroom homes with a 1-stall attached garage. The 128 rowhouses are priced between \$190,000 and \$220,000 and are larger than the cottages, ranging from 1,400 to 1,634 square feet. Two- and three-bedroom plans are available and include two levels above a two-car garage. The lofts are priced between \$140,000 and \$230,000 and are sized between 657 and 1,429 square feet. The 70 lofts consist of one or two bedrooms or a two-bedroom-plus den. They are clustered in a three story building with underground parking. In addition to the Norstar residential portion, Carmel Partners is building 320 luxury apartments with access to a clubhouse, theater, fitness center, swimming pool, and business center.

A lottery was held for the first phase of the project due to the unexpectedly high level of public interest in the project. Thirty-five homes were sold in four months and the first residents are moved into Water Tower during the first quarter of 2005. Younger families were likely attracted to the larger Townhome and Rowhouse units, while young professionals and singles opted for the smaller loft and cottage design. Rowhouses and cottages reportedly sold faster and at higher rates than projected.

Each of the units either have an individual garage or underground garage parking (parking ratio is 1.5 parking stalls per unit). Density at the site averages to about 27 units per acre, with demographics surrounding the site indicative of a middle class Caucasian neighborhood: \$46,000 estimated median household income and \$24,000 estimated per capita income; median home values around \$200,000, 1.10% black alone; and a diversity index of 42.

Wesley Commons

Location: Golden Valley, Minnesota

Former Site: vacant

Unit mix: 131 multi-family homes; 83 townhomes; 48 condominiums; 25 rental apartments

Price points: \$170,000 - \$350,000; 15 units were sold to income-qualified buyers for \$134,000.

Transit (Destination City): Metro (Minneapolis)



Wesley Commons is within walking distance of existing daily local and express train routes running serving downtown Minneapolis and northwestern suburbs. Notably, the Metro reached a systemwide ridership high of 7 million riders in 2006. Located on 13 acres west of Downtown Minneapolis, Wesley Commons is a diverse community with a relatively strong share of Hispanic or Latino residents.

The development was completed in 2001 by David Bernard Builders, a division of Rottlund Homes and consists of two types of urban living, Townhomes and Urban Flats, on top of offices, retail shops, and restaurants on the ground floors. Wesley Commons has a density of about 15 units per acre. It consists of 84 2-story urban townhomes (1,600 -1,800 SF) and 48 stacked condominiums (1,400 to 1,600 SF). Units sold for between \$170,000 and \$350,000 (\$157 - \$210 PSF). Of the 130 units, approximately 41 townhomes and 15 urban flats were pre-sold, including all of the initial 15 townhomes available for \$134,250 to income-qualified buyers. Median home values in the area are estimated to be about \$260,000. Each ownership unit is entitled to two parking spaces; rental units have 1.5 spaces.

The City of Golden Valley was involved in assisting with land acquisition and title work, demolition of existing buildings, street and streetscape construction, utilities relocation, and environmental remediation (paid for through TIF funds). Additionally, it approved the Planned Unit Development designation.

Funding for the project was provided through a mix of private development funds, grants and municipal economic development funds raised through TIF districts, with rental housing eligible for tax credits from the Minnesota Housing Finance Agency. In addition, the project used a \$510,000 Livable Communities Grant (LCG) to subsidize a parking deck, and pond retaining wall.

Parking regulations were 2 underground spaces per townhome unit (.5 street spaces for visitors) and 1.5 underground spaces per rental unit.

The project seems to be successful, with 93% of the 38,000 square feet of retail space leased and the remainder under lease negotiations.

Willow Walk

Location: Compton, California

Former Site: Blighted

Unit mix: 136 Townhomes; 1,167 to 1,506 square feet

Price points: \$300,000+

Transit (Destination City): Adjacent to Metro Blue Line (Los Angeles)



After years of decline due to an eroding tax base, strained public services, and civic corruption, Compton has recently experienced more of a turn around as crime rates are falling with increased policing, more families moving in due to affordable housing prices, and being voted one of the best places to start and grow a business by an independent economic research firm. Gradually, Willow Walk and other infill projects are beginning to take shape in the area.

The Metro Blue Line station is located adjacent to Willow Walk. Located on 7 acres, Willow Walk will have a density of 21 units per acre at build out of 136 3-story townhomes ranging from 1,167 to 1,506 square feet (up to 3-bedroom, 3-bath) with 2-car attached garages. The development will be gated and has a neighborhood park. Prices begin at \$300,000 for the smallest units, relatively low compared to the area median housing value of \$350,000 estimated for 2006.

Willow Walk is still only in the sales reservation stage, so there is limited information on buyer interest and estimated phasing of the development. Older single family homes in the adjacent area have recently sold for between \$244 and \$513 per square foot (median \$413 PSF), comparable to the \$257 per square foot figures Willow Walk is aiming to command.