

Case studies serve to address the following questions:

- 1. What are the benefits and outcomes of transit corridors?
- 2. How have other communities planned for successful transit corridors?
- 3. What lessons can be learned to help inform funding and implementation?

Transit corridors can provide significant economic, placemaking, and quality of life benefits.



## INCREASE ACCESS TO ECONOMIC OPPORTUNITY

- Connect residents to jobs
- Support local businesses with vibrant streets and higher foot traffic
- Attract businesses and employers
- Spur opportunities for affordable housing



**CREATE GREAT PLACES** 

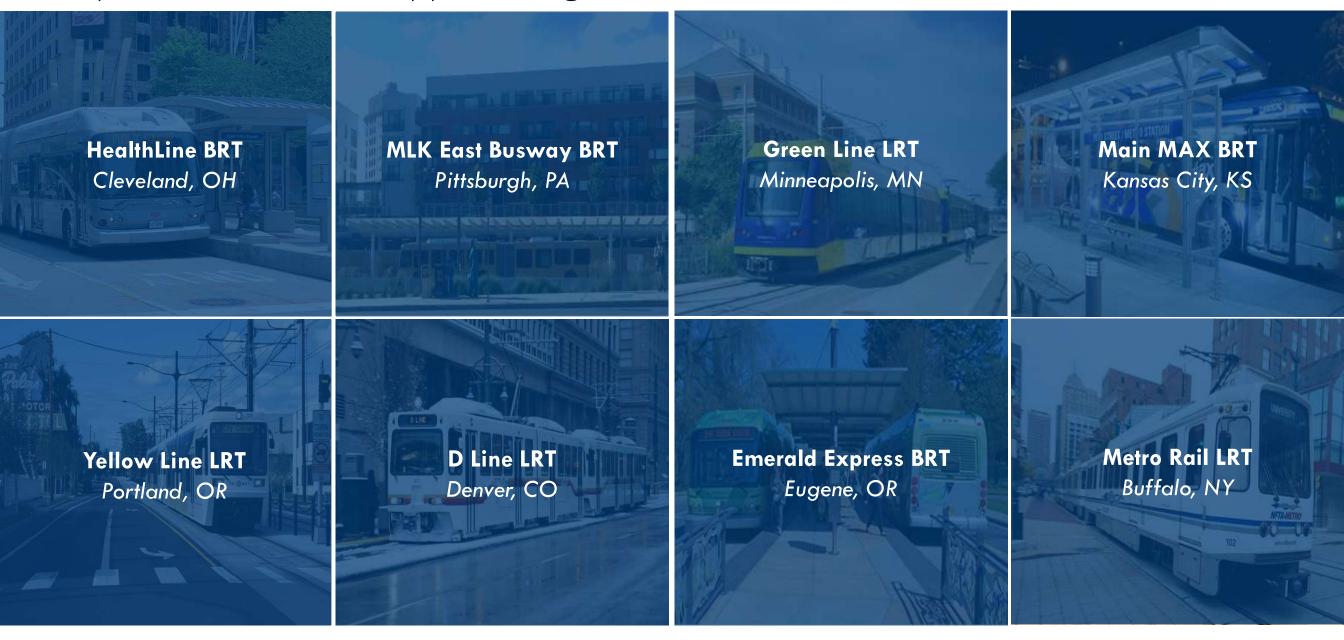
- Create and connect new destinations
- Provide safer streets for all, including kids and seniors
- Improve walkability and bike access
- Support attractive public spaces



IMPROVE QUALITY OF LIFE

- Reduce car dependence and emissions
- Shorten commute times and mitigate traffic
- Increase ridership and fare revenues for new transit and potentially expand service

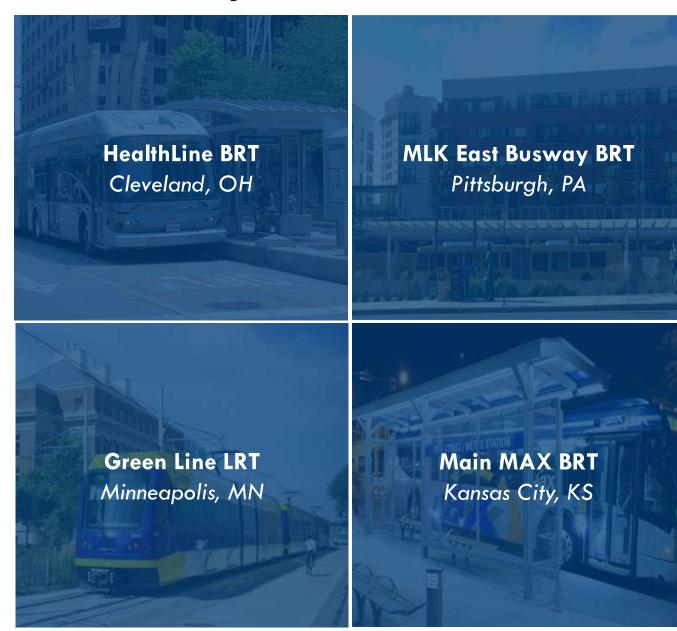
Peer examples from across the U.S. demonstrate proven strategies to plan and implement TOD that supports neighborhood revitalization.



HR&A selected four case studies of comparable transit corridors based on their alignment with the characteristics and goals of the East Jefferson corridor.

### **SELECTION CRITERIA**

- Small to midsized cities with an industrial legacy and slow growth
- Corridor serves economically and racially diverse neighborhoods
- Transit connects suburbs and downtown
- Corridor connects historically low-density neighborhoods
- Range of BRT and fixed-guideway transit service
- Mix of funding strategies (including BID, TIF, private investment, etc.)



Each case study was evaluated to identify best practices across the following tools and impacts:





















### Minneapolis/St. Paul Green Line

- Implementers of the METRO Green Line committed early on to focus on equity in planning and implementation.
- The Central Corridor Funders Collaborative **developed an affordable housing plan** for the corridor which identified strategies and tools to support affordable housing development and preservation.
- As a result, developers in Minnesota and St. Paul have leveraged existing affordable housing funds -- many of which include **priority selection criteria for projects proximate to transit.**

### Pittsburgh MLK Jr. East Busway

 Pittsburgh also offers a number of affordable housing gap financing tools that have supported redevelopment along the Busway, including the Affordable Housing Opportunity Fund.



### **Kansas City MAX**

• In Kansas City, **special overlay districts** were used to focus development along the Main and Troost MAX BRT routes. New development projects along the Troost Corridor have been awarded significant **tax abatements** of up to 25 years.

### Minneapolis/ St. Paul Green Line

 METRO Transit developed a TOD funding guide to aid developers in identifying potential funding sources for TOD which highlights city, county and state TOD-specific funding programs and other applicable incentives.





**FUNDING** 



### Kansas City MAX

The Troost MAX line implemented sustainability projects with financing support from a
Federal Very Small Starts award, as well as partnerships with local institutions and
maintenance agreements with various city departments.

### Pittsburgh MLK Jr. East Busway

• The East Liberty Transit Center redevelopment project was funded in part by **Transit Revitalization Investment Districts**. In 2017, updated legislation made it easier for projects to earn dedicated funding up front instead of relying only on the incremental value creation.

#### **Cleveland Healthline**

• The Greater Cleveland Regional Transportation Authority (GCRTA) sold the **naming rights** for the BRT line to the Cleveland Clinic and University Hospitals for \$6.5M (resulting in the Healthline name). GCRTA also sold naming rights to singular stations to local institutions.



**GOVERNANCE** 

**RETURN ON** 

INVESTMENT

### **Cleveland Healthline**

• In Cleveland, the **Greater University Circle Initiative**, established by the Cleveland Foundation, **brought together major anchor institutions** in the University Circle Area to develop a coordinated vision and approach to redevelopment and investment that successfully revitalized the corridor and attracted additional public and private investment.

### Pittsburgh MLK Jr. East Busway

• In Pittsburgh's East Liberty neighborhood, the City's redevelopment authority, the **Urban Redevelopment Authority**, and non-profit community development corporation, **East Liberty Development Inc.** have worked closely together to implement a community-driven economic development strategy along the busway. Private and public partnerships can advance an inclusive, neighborhood-based approach to development along the corridor that also leverages additional investment.











### **Cleveland Healthline**

• The 1,600 acre Health-Tech development has lead to significant private investment and job growth, including 13,000 new jobs and \$5.8B in private investment.

### Minneapolis/ St. Paul Green Line

• 20% of all new construction is affordable and 4,000 units of affordable housing has been preserved since 2011. Private investment along the corridor totals \$4.2B.

### Pittsburgh MLK Jr. East Busway

• Over **360** new jobs have been created and about **300** rental units have been rehabbed since 2002.

Each case study was evaluated to identify best practices across the following tools and impacts:



Cities created and leveraged **affordable housing strategies and tools** that favor proximity to transit to develop new workforce and affordable housing.



New development in **underinvested corridors still required significant subsidy** either in the form of public incentives or private institutional support.



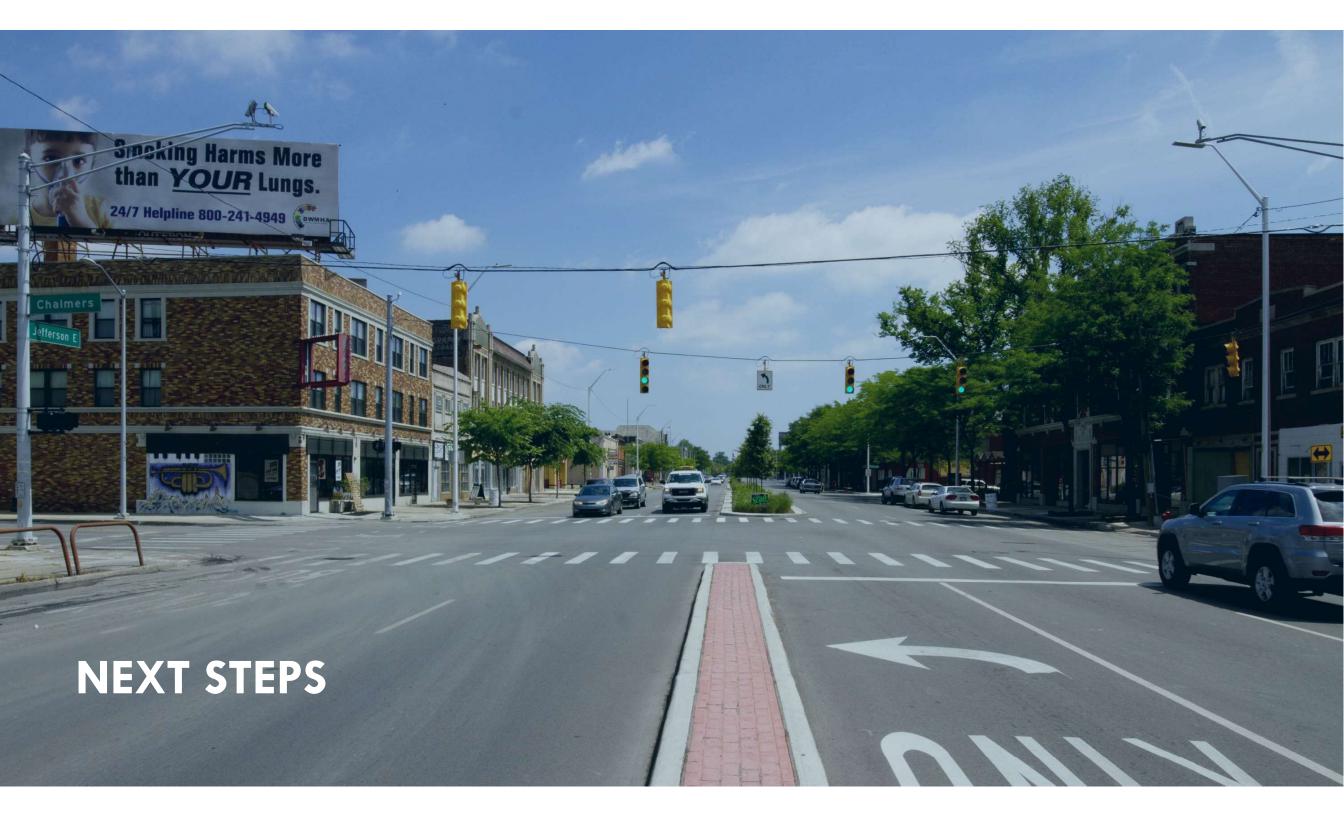
To support non-transit improvements (e.g. streetscape), cities and transit agencies used a range of value capture mechanisms, as well as grants from local and national mission-driven organizations, anchor institutions, and federal sources.



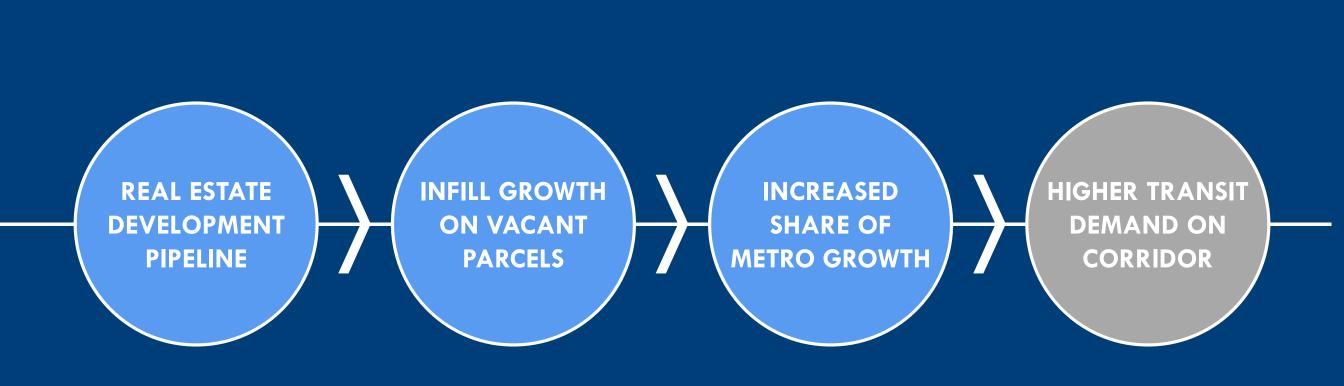
Effective strategies leveraged key community anchors to develop a unified vision and cohesive economic development strategy for the corridor.



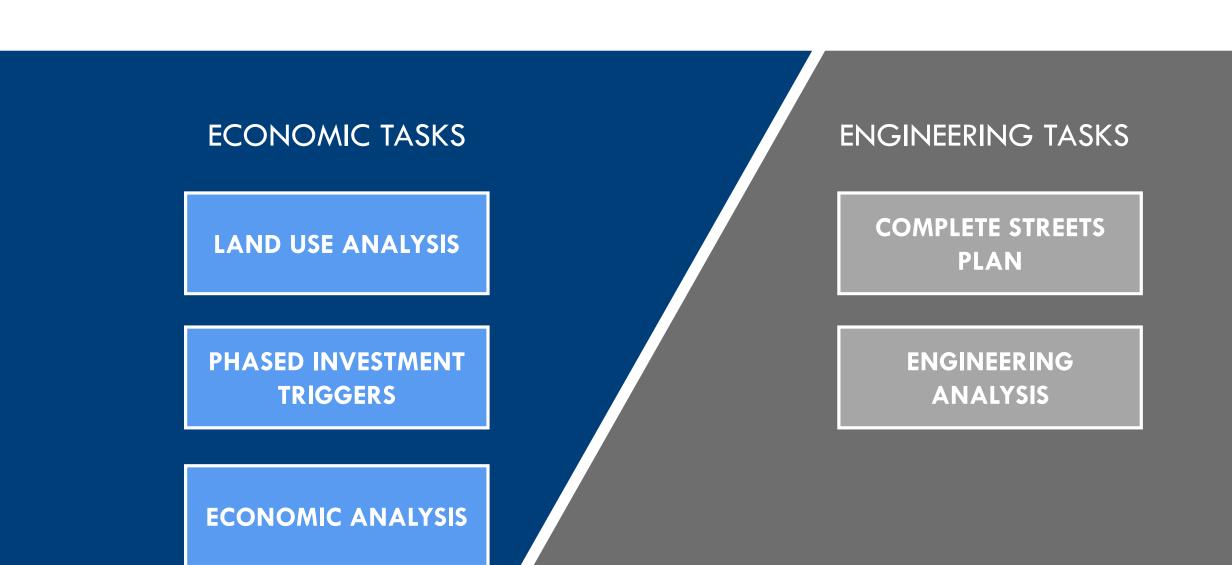
For some cities, BRT supported by TOD-friendly public policies has led to **increased** ridership, job growth, and significant private investment.



Our estimation of future transit demand will extend from our understanding of economic development and population growth fundamentals.



The next tasks in our scope directly contribute to this forward-looking analysis.



Looking ahead, the City could consider a Small Starts grant from the FTA's Capital Investment Grant program to help fund transit investments.

### PROJECT DEVELOPMENT

- City conducts EIR, reviews alternatives, and adopts transportation plan
- FTA assigns ratings on project justification & financial commitment

### LOCAL FINANICAL COMMITMENT

- Maximum federal funding of 80% project cost
- Commitment address both capital & ongoing costs
- Project ranking depend on share of local commitment

## SMALL STARTS GRANT AGREEMENT

- Sponsors request <\$100M</li>
   for capital costs <\$300M</li>
- Includes both BRT and fixedrail systems
- FTA accelerates lower cost/faster timeline projects



# ONE VISION FOR EAST JEFFERSON

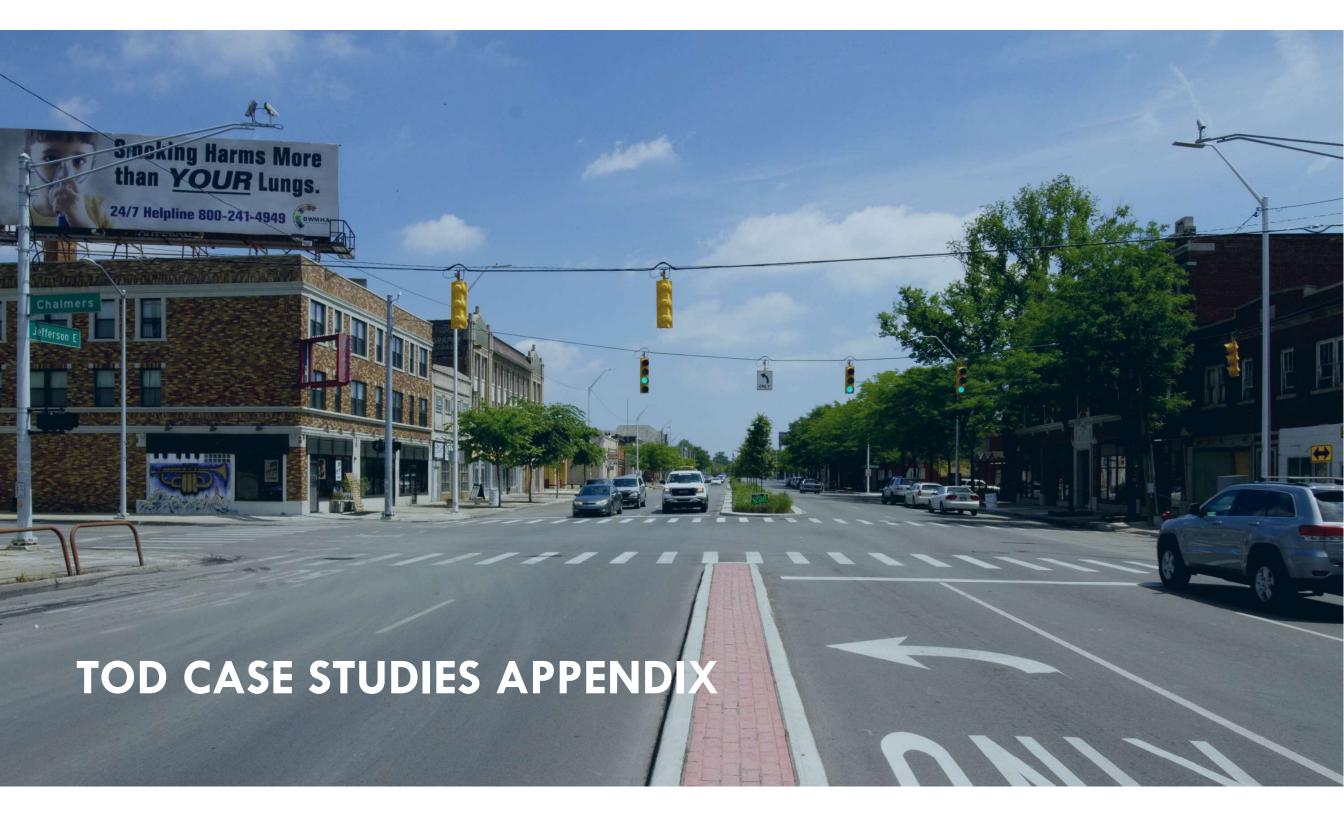
Phase I Summary







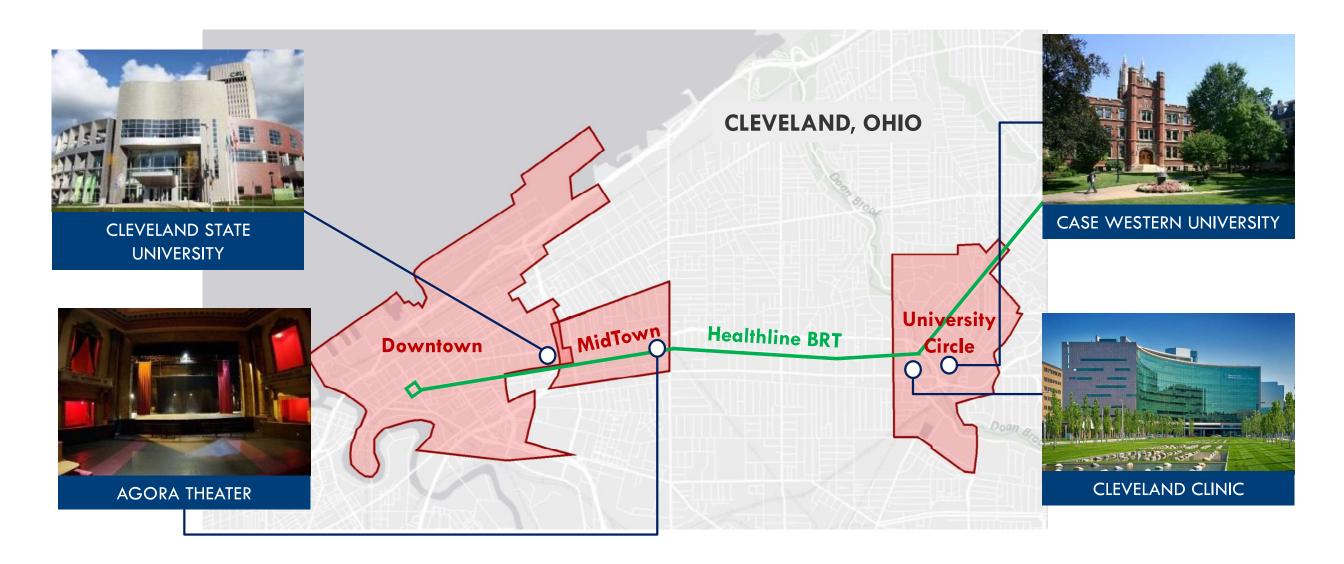




## CLEVELAND HEALTHLINE BRT



**Context** | Implemented in 2008, the Cleveland Healthline is a seven mile bus rapid transit service that connects Downtown to Midtown and University Circle -- home to Case Western and the Cleveland Clinic.



# **Planning & Implementation** | Extensive planning and coordination between major anchor institutions helped prepare the struggling corridor for redevelopment.





(	1980	The Euclid Avenue corridor and Midtown struggle with business flight and rising vacancies
	1995	Greater Cleveland Regional Transportation Planning Authority (GCRTA) identified BRT as the locally preferred alternative to connect downtown to University Circle
	2005	Midtown Cleveland, Inc., the local community development corporation, developed a new master pla and mixed-use zoning overlay which was adopted to encourage transit supportive development (and later incorporated into the 2007 citywide plan and zoning update)
	2005	Major anchor institutions in the greater University Circle area formed the Greater University Circle Initiative (GUCI), an initiative of the Cleveland Foundation, which focused on catalyzing redevelopment in the University Circle and East Midtown areas of the corridor
	2008	GCRTA sells naming rights and line opens as the 'Healthline'
<	2010	Cleveland Health-Tech Corridor non-profit founded by BioEnterprise, the Cleveland Foundation, the City and Midtown Cleveland to create, brand and attract health-tech and high-tech businesses.

#### **SPOTLIGHT: GOVERNANCE**

GUCI is comprised of 11 lead anchor members and serves as a platform for cross-institutional collaboration. As an initiative, the GUCI Leadership Group:

- Coordinates development efforts: Aligns GUCI development goals with surrounding University Circle Community Development Corporation plans
- Encourages TOD: Acquires property and structures land leases through public-private partnerships
- Leverages public investment: Coordinates with the City to obtain supplementary funds and prioritize projects

**Project Financing** | The Cleveland Healthline is the highest quality BRT in the U.S., boasting extensive streetscape and non-transit infrastructure improvements, as a result, a range of creative and traditional funding were used to support implementation.

The total cost of developing the Cleveland Healthline was roughly \$200 million, of which about 75% supported new infrastructure. Funding sources for the new line included:



#### **SPOTLIGHT: FUNDING**

#### Naming Rights

- Cleveland Clinic and University Hospitals purchased naming rights for \$6.5 million over 25 years, calling it the Cleveland Healthline
- Several institutions have since purchased naming rights for singular stations along the corridor. For example, Huntington Bank contributes \$30,000 per year for 10 years to support maintenance of the Healthline's East 2<sup>nd</sup> Street station
- Naming rights not only provided funding, but also helped brand the corridor as the center of the medical industry cluster in Cleveland

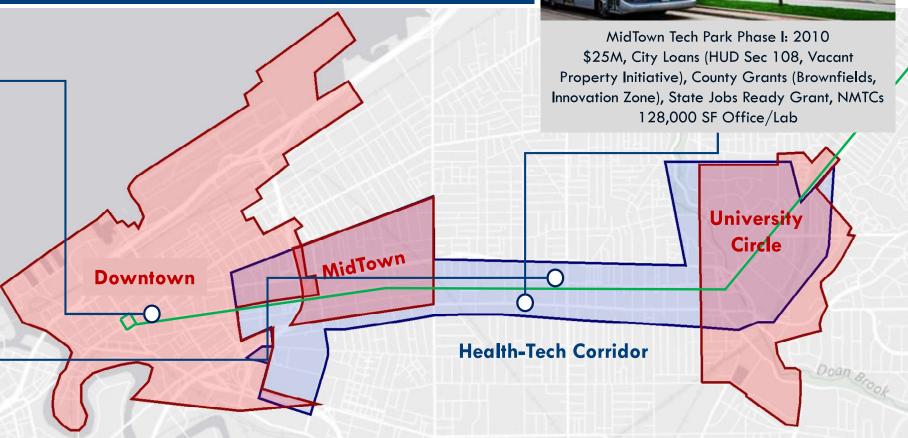
**Development** | Targeted branding of the Health-Tech Corridor and a range of public loans, grants and subsidizes have supported rehabs and new development along the line.



668 Euclid: 2010 \$65M, City/County Loans, Historic Tax Credits, NMTCs Converted department store into 236 luxury apartments, 70K SF commercial



Greenbridge Commons Phase I & II: 2010 \$26M, LIHTC, HOME, Federal Home Loan Bank, Ohio Mental Health & Addiction Services, Continuum of Care 190 Permanent Supportive Housing Units In 2009, the City commissioned an economic development study that rebranded the central segment the Health-Tech Corridor. The following year the Health-Tech Corridor non-profit was established to attract bio and high-tech businesses. HTC has spearheaded projects such as the MidTown Tech Park.



\*Northeast Ohio Areawide Coordinating Agency

Sources: ITDP, ITE, GCRTA, Cleveland.com, HTC, BusinessWire, Crains, Enterprise

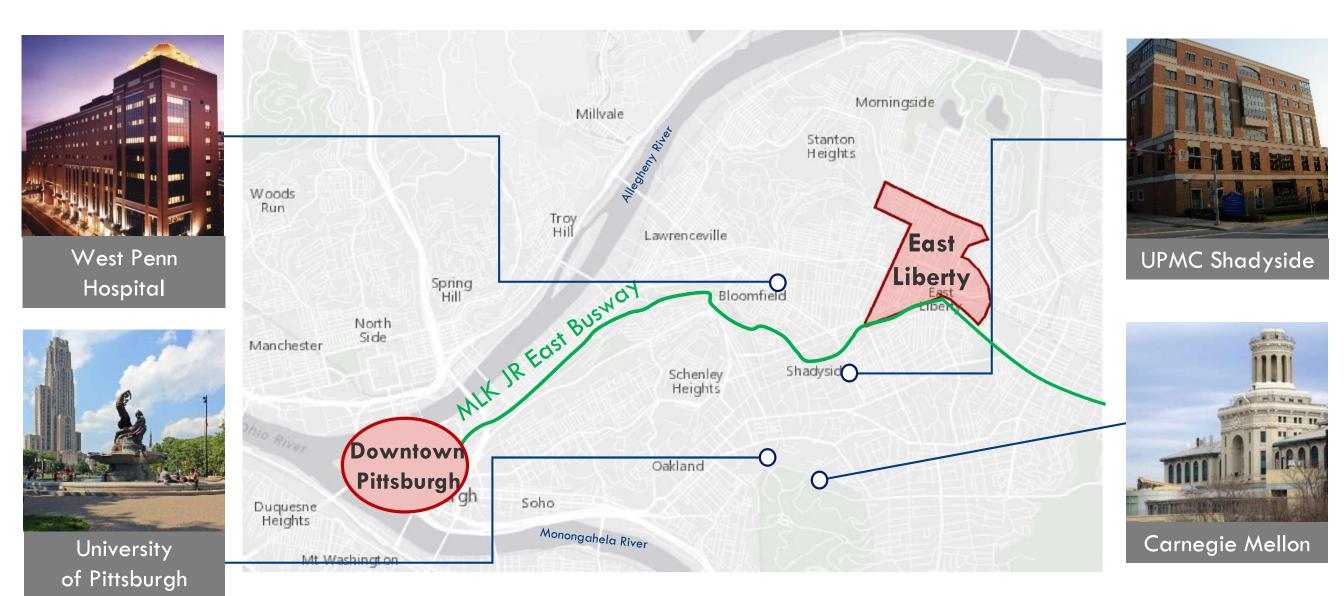
**Impacts** | The Healthline corridor has become the fastest growing employment center in Cleveland and has generated impacts that far outpaced expectations.



# PITTSBURGH MLK JR. EAST BUSWAY



**Context** In 1983, the MLK Jr. East Busway commenced operations connecting Downtown to East Liberty, a low income neighborhood struggling with high vacancy and blight.



# **Planning & Implementation** | Coordinated public and private efforts successfully catalyzed development in the East Liberty neighborhood beginning in the 1990s.

2002 ELDI and URA acquired blighted and vacant parcels and rehabbed 337 rental units







1960	Formerly the third largest business district in the state, East Liberty fell victim to a failed urban renewal project in the 1960s which brought in a new highway and auto-oriented development. The population halved, commercial space shrunk by 1M SF and was replaced by vacancy, blight and crime.
1979	East Liberty Quarter Chamber of Commerce created the East Liberty Development, Inc. (ELDI), a community development corporation to develop a framework and vision for redevelopment
1983	MLK Jr. East Busway opens
1994	Mayor Tom Murphy creates the Pittsburgh Development Fund (PDF) managed by the city's Urban Redevelopment Authority (URA) and funded by a new county hotel tax
1999	City, URA, and ELDI led the creation of the first comprehensive plan, 'A Vision for East Liberty' which focused on connections to the MLK Jr. East Busway
2000	Home Depot opens in vacant Sears store using PDF funds and TIF bonds.
2002	Local Initiative Support Corporation (LISC) creates the East End Growth Fund to provide gap financing for East Liberty redevelopment
2002	ELDI partners with private developer, Mosites Company, to create EastSide Developments, a mixed-use commercial corridor anchored by Whole Foods

**Project Financing** | ELDI, URA, and funding partners developed creative strategies to fund new projects, complemented by traditional value capture and public subsidies.

- The launch of the MLK East Busway focused on transit, not economic development. As a result there was very little development activity until new financing tools were dedicated to the district, including the PDF and the East End Development Fund.
- Early projects such as the Home Depot were able to leverage TIF funding. However, the East Liberty Transit Center did not quality for TIF given its census tract boundary overlap with the higher-income Shadyside neighborhood -- which would have likely resulted in exceeding the threshold for the city assessment cap.

EL Transit Center Funding
Total Cost: \$150M (\$60M transit center, \$90M private development)
Sources: Nearly 20 sources, including TRID, TIGER Grant, New Markets Tax Credits
Program: 360 units, 554 space garage, 120 bike garage, 43k SF commercial



### SPOTLIGHT: FUNDING

#### East End Growth Fund

- Pre-development revolving loan fund through LISC
- Capitalized with \$2.47M from local foundations
- Used to assemble development parcels, set design standards, and ensure alignment between community goals
- Provided gap financing for key projects including the Whole Foods development and mixed-income housing projects

#### Transit Revitalization Investments District (TRID)

- Signed into law in 2004 to encourage TOD, economic development, community driven planning, collaboration and the use of value capture
- A TRID differs from TIF in that it has a specific focus on TOD and does not require "blight" in the area, does not count towards TIF assessment cap
- Legislation was updated in 2017 to include a new TRID Fund (collect up to 25% or \$350,000 in diverted taxes per year)
- TRID Fund established by the PA Treasury, provides up to two grants of up to \$350,000 per year in order to fund projects or debt service
- Authorizes value capture mechanism allowing portions of incremental value to be dedicated to specific projects in the district for up to 20 years
- East Liberty TRID Revitalization Authority was the first project to receive funding; awarded up to \$350,000 annually for up to 19 years to complete street re-construction

**Development** Diverse funding mechanisms supported a wide range of project types including mixed-income housing.



EastSide II: 2007
Mosites partners with URA
and ELDI
86,000 SF Retail



Bakery Sq: 2010 TIF, URA and DEP funding 380,000 SF Retail Ace Hotel



New Pennley Place: 2010-2011
The Community Builders & PHA LIHTC 11,000 SF Retail



East Liberty Place South: 2015
The Community Builders,
URA HOME funds,
Neighborhood Stabilization
Program, HUD grants, LIHTC
39 affordable, 11 workforce,
5 market rate

### SPOTLIGHT: AFFORDABLE HOUSING

From the onset, one of ELDIs key goals was ensuring local housing choice throughout redevelopment

- Early on, ELDI began redeveloping mixed-income housing, but these projects were largely unsuccessful
- Using a grant from LISC, ELDI hired a consulting firm to develop a housing strategy, which identified the lack of higher-income residents as a barrier
- ELDI, with support from tenants, identified and acquired problem properties, eventually leading to higher rental rates in earlier projects
- ELDI was able to combine this new equity with Low Income and Historic Preservation Tax Credits, as well as support from the URA and Pennsylvania Housing Finance Agency to finance new development and rehabs
- While ELDI has succeeded in preserving and building new affordable housing, market strength has resulted in some developers evicting Section 8 voucher holders, and turning former affordable housing into luxury apartments, as seen in Penn Plaza

**Impacts** | The East Liberty Transit Center has been the centerpiece of the neighborhood's revitalization, and has strived to support current residents and mitigate displacement.



MINNEAPOLIS/ST.
PAUL METRO GREEN
LINE LRT



**Context** | The METRO Green Line is an 11 mile light rail connecting Minneapolis and St. Paul as well as the University of Minnesota. Service began in 2014.



**Planning & Implementation** | With many residents still scarred from the construction of Highway 94 and subsequent displacement, from its inception, Green Line implementation focused on community engagement and promoting equitable development.



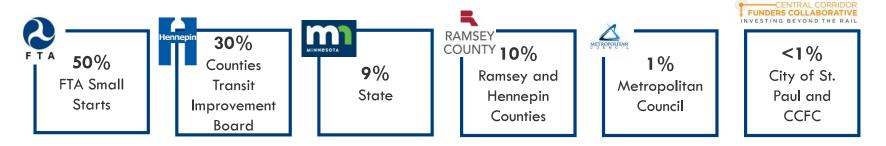
#### **SPOTLIGHT: GOVERNANCE**

CCFC was established to align funding with the public sector, business sector and community needs; coordinate sometimes disparate visions across different neighborhoods and actors; and combine funding to leverage greater outside investment. From 2007 – 2016, the CCFC awarded 162 grants worth \$11M for affordable housing, economic opportunity and placemaking. To support greater collaboration, CCFC provided five tools:

- 1. Funders Collaborative: Bring together funding to leverage greater impact
- 2. Learning Network: Facilitate information sharing among funders and key actors
- 3. Catalyst Fund: Provide seed funding to fill project financing gaps
- 4. Funders Coordinator: Oversee grants and initiatives
- 5. Working Groups: Facilitate information sharing and education, identify new initiatives

**Project Financing** | The Light Rail service required an assemblage of federal state and local funding sources to support implementation. The CCFC was a key private source.

The total cost of the Green Line was \$957M. Funding came from a variety of sources including:



### Green Infrastructure

Numerous stormwater management measures were implemented in tandem with the LRT, including:

• Rain gardens, bioretention planters, infiltration trenches, permeable pavers and tree trenches.

Funding for green infrastructure came from a variety of sources including:

• State Clean Water Fund grant, Metropolitan Council, City of St. Paul, and in-kind contributions from the Capital Region Watershed District.



**Development** | Metro Transit and the Metropolitan Council both provide and publish a range of public funding tools already calibrated for TOD, making it easier for developers to consider projects along the corridor.



Hamline Station Redevelopment: 2015
City of St. Paul & Project for Pride in Living
\$25m, \$9m public (\$3M Metro Council
Livable Communities TOD Grant)
108 mixed-income units, 13K SF
commercial



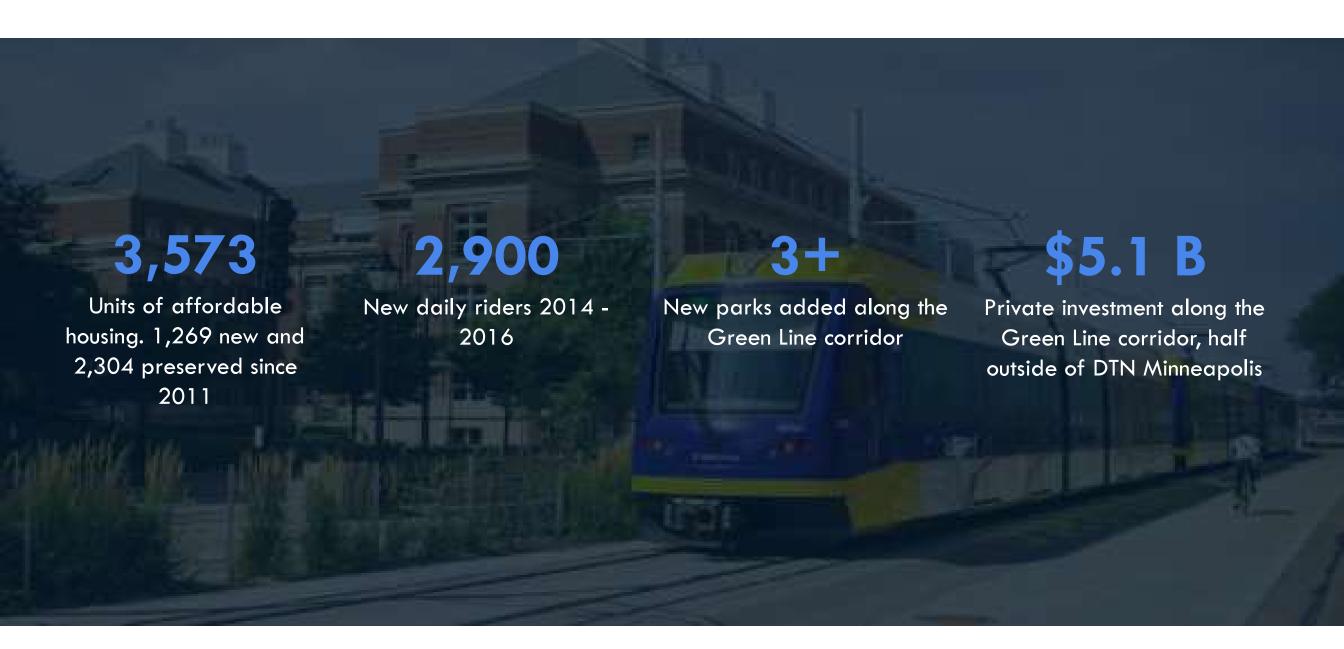
2700 University: 2016 \$54M: TIF, HOME, Metro Council Livable Communities TOD Grant 248 units (50 affordable), 3K SF commercial

### SPOTLIGHT: AFFORDABLE HOUSING

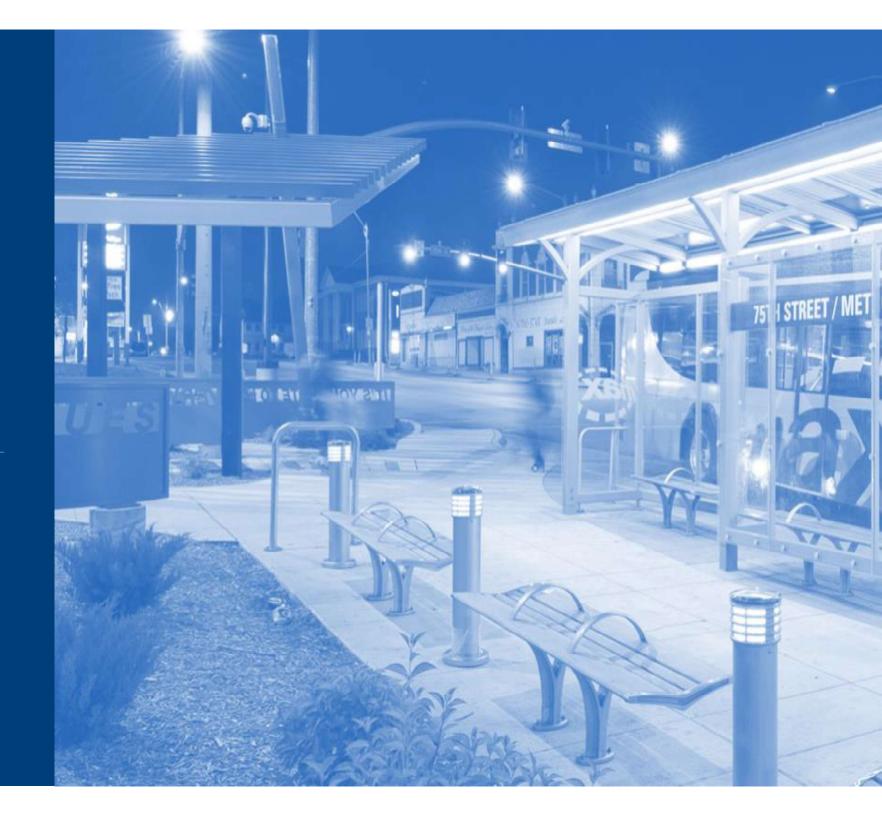
### Big Picture Project

- Launched in 2012 as an initiative of the LISC Twin Cities and supported by CCFC to ensure a coordinate approach to affordable housing along the corridor
- Developed the Central Corridor Affordable Housing Coordinated Plan which identified strategies and tools to support affordable housing development
- Set a goal of 4,500 affordable units by 2020 (1,960 above expected baseline)
- Tools:
  - 1. Living Cities Integration Initiative (\$14 million)
  - 2. Met Council TOD fund (\$33 million)
  - 3. Affordable Housing Trust Fund
  - 4. Hennepin County TOD and Affordable Housing Incentive Fund
- 5. Corridor of Opportunity Affordable Housing/TOD Loan Program
- 6. HUD Sustainable Communities Local Implementation Capacity
- 7. Land Banking

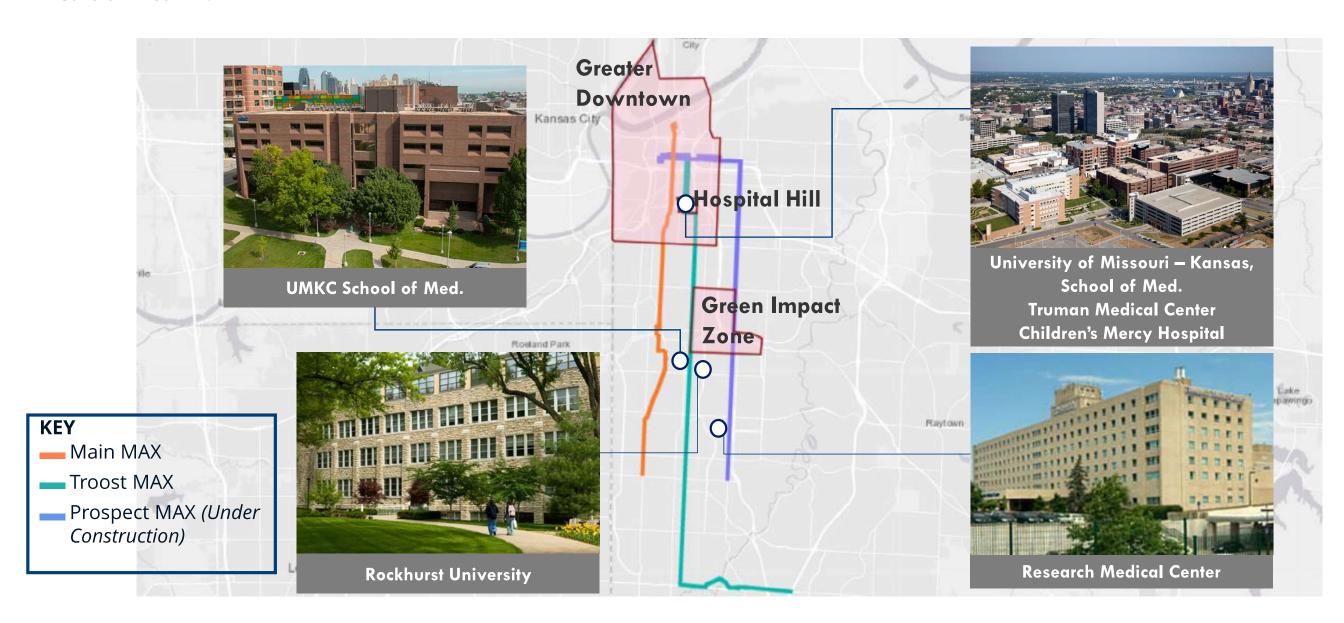
**Impacts** | The Green Line has brought new investment and increased access to jobs for all residents across the corridor.



# KANSAS CITY TROOST MAX BRT

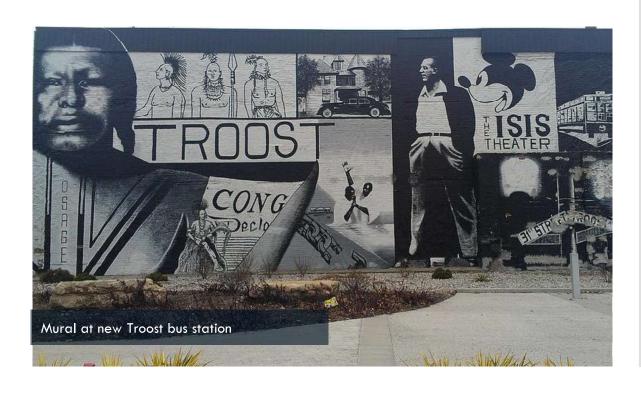


**Context** | The Troost MAX BRT runs along a 13-mile corridor and opened in 2011, following the success of the Main MAX line. Troost is the city's busiest transit corridor and connects major employment clusters to downtown.



**Planning & Implementation** | While early implementation focused more on transit than development, overtime Kansas City and local neighborhood groups have become more pro-active in planning for and attracting TOD.

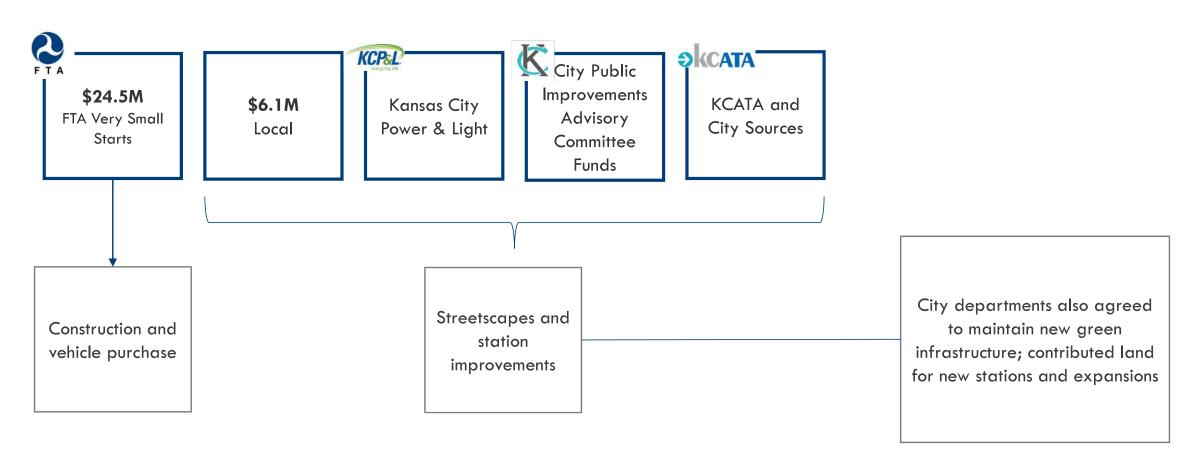
Troost MAX runs primarily along Troost Avenue, a historic dividing line between higher-income White neighborhoods to the west and lower-income African American neighborhoods to the east. A former commercial corridor, large segments in the central corridor suffered from disinvestment beginning in the 1990's. The southern end of the corridor is characterized by low density residential and auto-oriented commercial development.



Kansas City Area Transit Authority (KCATA) recommended light rail. When the proposed sales tax ballot measure failed, KCATA began considering BRT Smart Moves regional transportation plan laying out regional transit system based on BRT is approved Main Max BRT opens -- a six mile route along a welldeveloped commercial corridor, connecting key employment center, civic and cultural destinations Troost MAX BRT opens, has since seen a 60% increase in 2011 transit ridership Greater Kansas City Chamber of Commerce and United Way 2012 form the Urban Neighborhood Initiative, a non-profit focused on revitalizing a segment of Troost Avenue 2015 Troost Zoning Overlay District approved 2017 Kansas City publishes first TOD policy 2019 Expected opening of the Prospect Max BRT

**Project Financing** | The initial success of Kansas City's first MAX BRT line in 2005, helped garner federal support for federal funding to support the Troost line.

The total cost of planning, construction, vehicle purchases, stations and technology improvements for the Troost line was \$30M. Funding came from a range of sources including:



**Development** | To date, most new large-scale development along Troost Ave has been sponsored by nearby anchors.





Brookside Senior Residences Phase I: 2014
Partnership w. Research Medical Center
LIHTC, HOME, AHP
46 units
Phase II: 120 units



Rockhurst Retail: 2012 \$9M 10K SF retail, 423 space parking garage, public plaza

A handful of incentives and policies have been put in place to better realize economic development benefits from the corridor.

- Troost Overlay District implemented in 2015 to encourage more walkable and transit-oriented development (ex. parking maximums)
- Tax abatements (Brookside Senior Housing received 10 year at 100% and 15 years at 50%)
- Beginning in 2015, KCATA began playing a greater role in economic development with their first true joint development project at 3<sup>rd</sup> & Grand on the Main MAX line. In 2018, KCATA released an RFP to develop a vacant 2-acre lot at 18<sup>th</sup> and Troost



**Impacts** Owing to a lack of early TOD policies, the success of MAX BRT have been seen in transit-related impacts, including increasing ridership, expansion of transit service, and attraction of additional federal funding.

