

Reinvesting in Pittsburgh's Neighborhoods

The Case for Transit-Oriented Development

A report of::



The Pittsburgh Community Reinvestment Group

Prepared by:



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About PCRG's GoBurgh Initiative

GoBurgh is a project of PCRG - a member-based coalition of community development corporations and neighborhood leaders in Pittsburgh and surrounding communities dedicated to revitalizing distressed communities throughout the region. As advocates for the development and implementation of a comprehensive and innovative transportation plan, GoBurgh acts as a convener of diverse interests; advisor to city, county, state, and federal officials; and coordinator of advocacy efforts for short and long term strategies with other nonprofit partners as well as local, state, federal, and private funding to implement transportation improvements. GoBurgh believes that through reconnecting our neighborhoods to transit, coordinated with pedestrian and bicycling enhancements - can we provide a sustainable, reliable, and equitable suite of transportation solutions that unlocks their redevelopment potential, provides access to jobs and opportunity for all residents, and creates a more stable future for all. We accomplish this through advancing transit-oriented development and market-based new transit starts as well as other connections to allow all citizens to move efficiently throughout the region.

PCRG would like to thank the following partners:

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Introduction

As more and more cities join the transit space race and see the benefits of walkability, places like Pittsburgh – which already have well established systems and walkable street patterns– need to revisit and reinforce their existing transit networks in order to stay competitive. Long thought of as a planning concept for managing growth in fast growing regions, transit-oriented development actually has great applicability when it comes to reinforcing the neighborhoods that make mature cities great. We have the opportunity to reinforce and invest in our transit network in a way that captures higher ridership, generates lasting value for our neighborhoods, enhances the economic strength of our job centers, provides enduring benefits for all of our residents, from young working families to retirees.

This report comes at a time when our region is at an ironic crossroads. The time has never been better to think about how we can improve the integration of our transit system with our neighborhoods. There is growing Federal support for concepts like sustainability and transportation alternatives, reflected in the creation of the U.S. Department of Housing and Urban Development’s year-old Sustainable Communities Office. Many regions are building entirely new transit systems to improve the quality of life of local residents, many times as a strategy to enhance economic competitiveness goals. And despite fiscal and economic crises facing nearly every region in the country, residents in many regions including Houston, Los Angeles, Charlotte, and Salt Lake City have agreed to tax themselves to fund these improvements. But meanwhile, Pittsburgh is facing one of the greatest transit operational budget crises the nation has ever seen. If we cannot take care of – and leverage – our existing transit resources, we stand to lose out on key opportunities for our workers, attracting and retaining young professionals, supporting our elderly, and serving families of all income levels, many of which are outlined in this report. Transit-oriented development is just one strategy we can use to preserve and promote our transit network, but it is an important one that requires us to pay attention and work together.

What is Transit-Oriented Development?

Transit-oriented development (TOD) is a term used to describe a fundamental set of objectives that can be achieved through integrated transit planning, development, urban design, streetscape improvements, and reinvestment. It typically refers to enhanced land use planning, urban design, and development within walking distance of a fixed-guideway transit station – generally starting from a half-mile radius or approximate ten-minute walk. TOD connects transit networks and the places where people live, work, and play to create real housing and transportation choices.

The concept behind TOD is that households living in a vibrant, mixed-use community with regular access to multiple transportation options live with fewer cars, making life more affordable, and still access jobs and economic opportunity, thus generating significant benefits for individuals, commuters, businesses, neighborhoods, and the city and region as a whole.

While TOD as a term is thought by many to refer only to new construction in growing cities, this concept can be applied to existing communities as well. Indeed, many of Pittsburgh’s established neighborhoods already enjoy some of the concepts behind TOD: compact development, walkability, and retail nodes integrated with larger residential development. Small improvements in civic infrastructure, planning, or the transit network itself can help transform these neighborhoods into complete, transit-oriented communities achieving the many benefits discussed in this report.

Pittsburgh's Existing Assets

Pittsburgh's historic growth patterns and existing transit network make the region well positioned to capture the many benefits associated with transit-oriented development, without significant transformation. Unlike other regions pursuing transit and TOD, many of Pittsburgh's residents already understand the benefits of transit, many of its neighborhoods already support walking and reduced auto dependence, and many jobs are already located near transit. Pittsburgh has great institutional capacity and a strong network of Community Development Corporations (CDC) that have worked in the neighborhoods for decades. Community groups and public agencies can leverage the region's many existing assets to enhance the region's economic competitiveness, reduce transportation costs and increase mobility options for all households, and create lasting value at the neighborhood scale.

Some of the region's assets are described in further detail below.

An Existing, Well Used Transit Network

Transit is integrated into our daily lives. One of Pittsburgh's greatest assets is its mature transit system that captures substantial ridership. Though the city only ranks 43rd in the country – legacy costs aside - when it comes to transit operating expenditures, it enjoys the 17th highest ridership levels nationally. The ability to maintain stable ridership rates with a relatively low operating budget is indicative of the extent to which Pittsburgh's residents are reliant on the transit system.

Compared with the region as a whole, workers living near fixed-guideway transit are two to three times as likely to walk, bike, and take transit to work. Figure 1 shows that the city's lowest income workers walk, bike, and take transit the most. However, in all income groups, workers who live near fixed-guideway transit are two to three times as likely to walk, bike, and take transit compared with workers who live beyond walking distance¹ of a station. Pittsburgh's established neighborhoods already enjoy one of the considerable benefits associated with transit-oriented development: a stable source of ridership reinforced by the concentration of housing and jobs around the transit network.

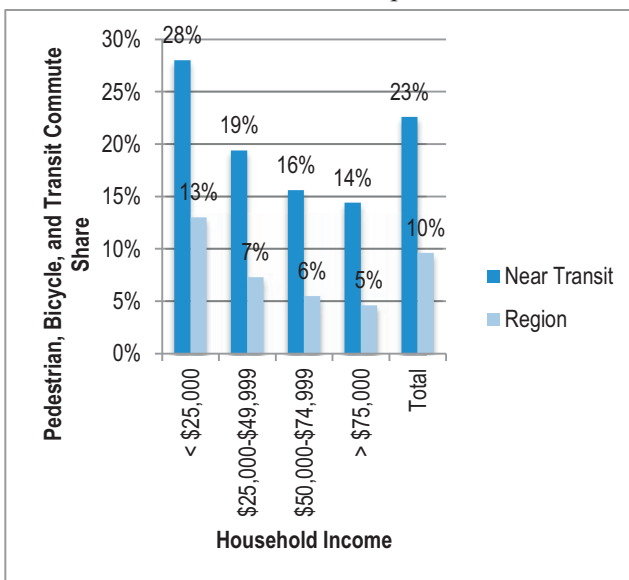


Figure 1: Regional Commute Patterns by Income, 2000

¹ Walking distance is defined as a 10-minute walk from the station, generally measured as a half-mile radius around the station.

Pittsburgh's extensive bus coverage enables most local residents to take advantage of transit options.

Figure 2 shows the city's higher frequency bus routes as well as the fixed-guideway transit system (the busways and rail stops). Though new transit-oriented development is associated with fixed-guideway routes—where developers are certain that transit routes will not move over the life of the project. Pittsburgh's rich bus network provides an opportunity for transit riders to access the majority of the city's core. Maintaining high frequency bus and fixed-guideway service can expand the geographic area where households can take advantage of the benefits associated with transit-oriented development, described below.

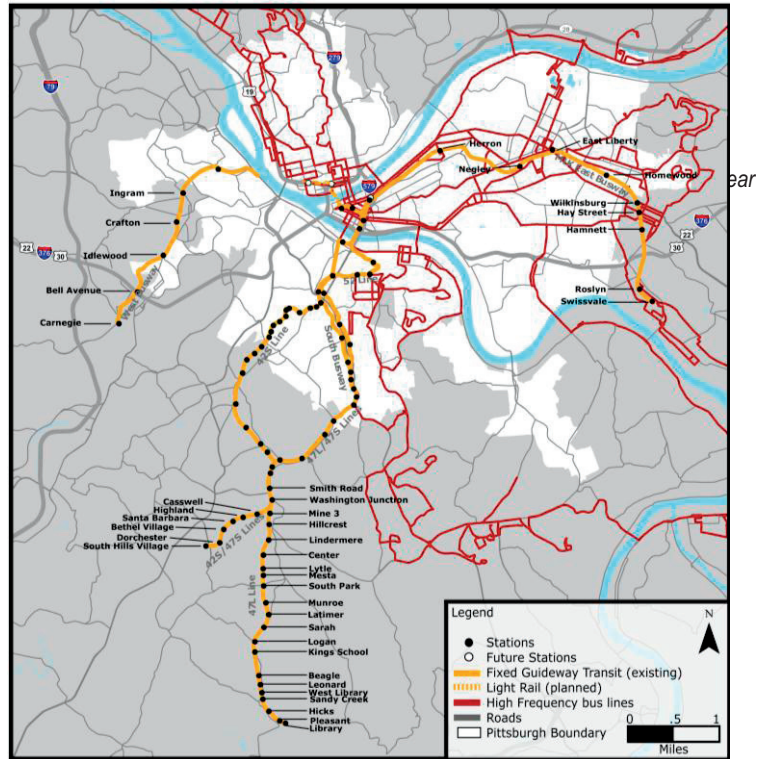


Figure 2: High Frequency Bus Routes and the Fixed-Guideway Bus and Light Rail Network

Transit expansions offer new opportunities to capitalize the land use / transit connection. New light rail investments, and the anticipated fixed-guideway connections between downtown Pittsburgh, Oakland, the Strip District, and Lawrenceville, will potentially open up new opportunities for transit-oriented development. Connecting regional entertainment, institutional and employment destinations is a key to creating lasting and sustainable transit ridership, and enabling households to live with one fewer car.

Historic, Walkable Neighborhoods



Figure 3: Historic building stock in downtown Pittsburgh

Pittsburgh's historic neighborhoods are a reflection of the region's rich history. Architectural diversity, ethnic influences, and diverse traditions are preserved through many of Pittsburgh's historic landmarks. Historic areas serve as vital community points, helping to create a sense of place. Historic buildings in Pittsburgh can offer opportunities for creative reuse and reinforcement of the region's existing communities, bolstering revitalization, walkability, and the many characteristics of successful TOD.

Additionally, Pittsburgh's historic development patterns have created a highly walkable city. **Figure 4** shows that many parts of the city enjoy smaller block sizes, which is an often-used measure of walkability.

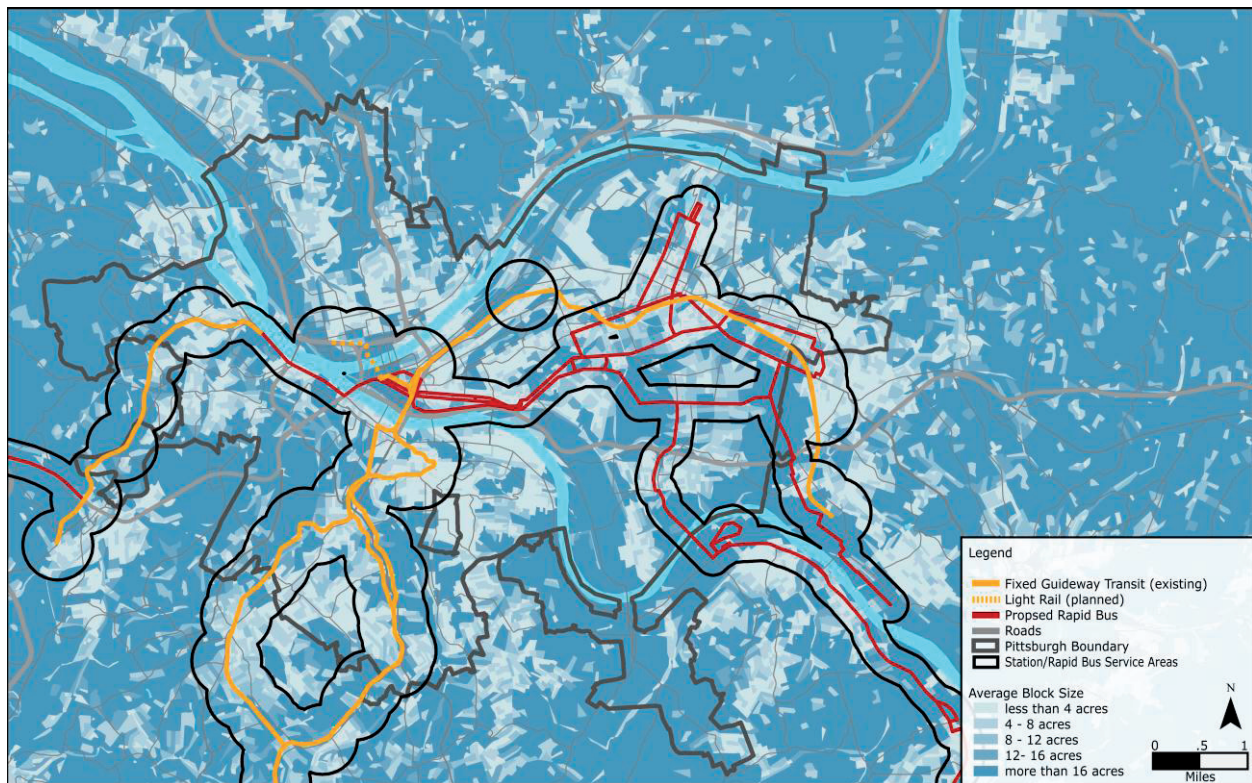


Figure 4: Block sizes and the fixed-guideway transit network

TOD Can Help Us Make More of Our Assets

Although Pittsburgh already outperforms many regions in terms of walkability and transit utilization, new investments will enable the region to take even more advantage of its existing network. Some of the basic strategies behind transit-oriented development can enable more residents to get to transit stations, encourage workforce development and job access, and enhance the overall quality of life for all households. In a mature transit system such as Pittsburgh's, improved transit service, civic space, and integrated land use and transportation planning, can enable both existing and new transit lines to capture the benefits of TOD.

TOD can help us do a better job by:

Making service predictable and frequent: Improving the frequency and intermodal connections between bus and rail service can enhance connections to job centers. It also increases the number of trips that residents will consider taking on transit.

Linking transit, land use, and community/economic development efforts: The system must connect enough employment, entertainment, and community destinations so that it offers a level of access high enough to compete with the automobile. A full range of TOD benefits links transportation, land use and revitalization to offer a mix of uses that benefits residents and the local economy.

Improving walkability and station access: Well-designed transit-oriented districts, with small blocks, high street connectivity and frequent intersections, as well as street trees and neighborhood destinations,



Figure 5: Walkway to Boggs Station

invite walking and biking for short trips as well as commute trips, and increase the amount of daily physical activity that residents engage in. Notwithstanding its stable transit ridership and small block sizes, Pittsburgh's topography poses significant challenges to pedestrian access and station visibility (as shown in **Figure 5**). Many transit stations are built into valleys not on grade with their surrounding neighborhoods, often hindering visibility and access for pedestrian use of transit.

Promoting Infill Development - TOD offers the opportunity to develop tools and policies to encourage development on available vacant or underutilized sites. Creating opportunities for infill housing or retail on previously undeveloped or underdeveloped parcels addresses gaps and makes both housing and job opportunities more accessible to all populations.

The Benefits of TOD

TOD provides for an affordable, convenient, and active lifestyle and creates places where children can play, young professionals can afford to start a life, and seniors can live comfortably. TOD enhances the value of existing transit investments and increases the sustainability of new investments, providing value for the public and private sectors and for both new and existing residents.

Some key benefits that TOD can provide to Pittsburgh residents and communities include:

- **Improved economic competitiveness and access to jobs**
- **More affordable living for families**
- **Increased livability, mobility and independence for Pittsburgh's elderly residents**
- **Increased marketability to keep and retain young adults to the region**
- **Enhanced long term value of our neighborhoods and communities**

These benefits, discussed in further detail below can help Pittsburgh realize the potential for TOD by building upon existing assets in the city.

Improve Economic Competitiveness and Job Access

Congestion and longer commutes threaten the economic strength of metropolitan regions by limiting the growth of existing employment and activity centers. Investing in new transit lines are one significant method used to retain economic competitiveness, and in this aspect, Pittsburgh is already ahead of the game. A regional transit network that connects major job centers offers commuters alternatives to driving, increasing the number of workers that can access employment centers without exponentially adding to the number of cars on the road. For instance, BART in the Bay Area provides access that has enabled job growth to continue in San Francisco's financial district in spite of traffic congestion on the bridges. In Pittsburgh, whose downtown is the 6th densest job center in the nation and swells with commuters during the day, transit is the only way to keep the economy afloat. Transit utilization in the Golden Triangle alone has topped 54%, up from 48% in 2003. Attracting new talent demands transit, too.² A 2004 National Association of Realtors survey showed households have a strong preference for housing near transit, demonstrating that today's young professionals want affordable transportation choices.³ Investing in transit and TOD ensures that we are competitive well into the future.

Connecting Job Centers to Transit

Figure 6 shows how the region's employment centers connect to transit. The region's two largest job centers - Downtown and Oakland - are transit rich, but others lack transit accessibility. Because these more suburban centers are disconnected, economic viability is threatened because of the lack of ability to get workers to these jobs. This brings down the economic competitiveness of the entire region and threatening long-term viability of these regions in particular.

² Pittsburgh Downtown Partnership and Strategic Metrics Group, "Employee Transportation Needs Assessment," September 2010.

³ Belden Russonello & Stewart, "2004 National Community Preference Survey," prepared for Smart Growth America and the National Association of Realtors, October, 2004. Accessible at www.realtor.org.

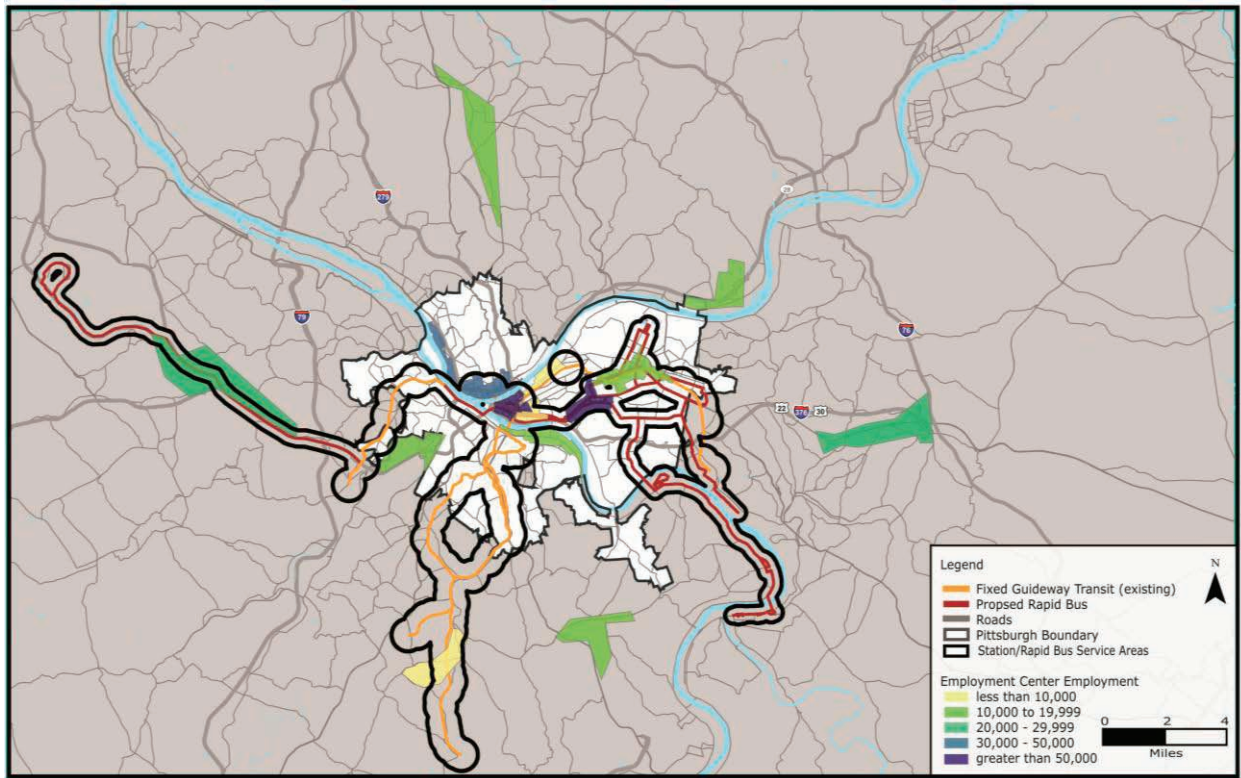


Figure 6: Regional employment centers and transit in Pittsburgh, 2010

In Pennsylvania, an average of 82% of gross quarterly job growth occurs through expansion of existing firms, rather than creation or attraction of new firms.⁴ To ensure that job centers remain economically viable, they must be able to continue to support growth within existing firms and existing locations. However, congestion can act as a chokehold on future economic growth when commuting to suburban job centers means sitting in traffic on crowded freeways and no commute alternative exist.

The suburbs notwithstanding, compared to other regions, Pittsburgh performs well in connecting jobs to transit. In Allegheny County, 47% of jobs are located within easy walking distance of fixed-guideway transit, and 28% of all jobs within the seven-county region are located within that half mile. These numbers are comparative to places like Philadelphia (29.8%), which has a much more extensive transit network, and much higher than places that are just starting to build their transit network, like the Twin Cities (19.6%) and Phoenix (11.2%). When job centers are located near transit, workers are more likely to take transit for their commute.⁵

Table 1: Jobs Served by Transit, 2008⁶

Region	Jobs	Jobs Near Transit	Transit Accessible Share of Jobs
Allegheny County	680,135	308,838	45%
MSA (7-Counties)	1,084,903	308,838	28%
SPC (10-Counties)	1,161,395	308,838	27%

⁴ Bureau of Labor Statistics Business Employment Dynamics, 1992 to 2010.

⁵ Center for TOD. Destinations Matter: Building Transit Success, May 2009.

⁶ U.S. Census: Longitudinal Employer Dynamics Data, 2008. Calculated by Center for Transit-Oriented Development.

Stable, skills-diverse, upwardly mobile workforce

Regional employers are largely dependent on predictable access to a well-trained workforce, and over time, jobs in every major industry have shifted away from the city center and towards the suburbs.⁷ Not only do employers face challenges in accessing workers with a broad range of skill sets from these locations, but these jobs are more difficult for low income residents to access from their inner city, urban, or rural neighborhoods. This can result in a significant cost to households and individuals as they spend more time and money commuting to work. What's worse – many might simply not be able to find work because they cannot afford to get to it, increasing strain on an already overburdened human services network.

Instead of offering only one form of commuting to these job centers, enhancing access to them through expansive, integrated transit networks while supporting with transit-supportive development at stations throughout the region can connect lower income workers to higher-wage jobs, creating paths of upward mobility.⁸

Currently in Pittsburgh, lower wage jobs that are proximate to, but not within the main city center also lack direct, high quality transit access. Some of Pittsburgh's lower wage job centers (like the Strip, South Side, Monroeville, and Ross) are less transit accessible. Accommodating future growth in these places is essential to maintaining not only their economic strength but also in providing jobs to lower income workers.

"[Firms today want] more mixed-use developments, more work and play environments. Companies like transit hubs for office locations."

- Jay Biggins
Executive Managing Director
Biggins Lacy Shapiro & Co.

Research shows that transit facilitates greater job density, knowledge agglomeration and the exchange of ideas – which can spur innovation. Studies also show that walkable places with urban character attract younger “knowledge talent,” and that jobs near transit are more accessible to the growing population of people in their twenties who are “transit dependent by choice.” Increasingly, ease of access, cost of living and quality of life are among the factors that firms look for when deciding where to locate or expand their businesses. According to Jay Biggins, executive managing director of the corporate site selection firm Biggins Lacy Shapiro & Co., firms today want “more mixed-use developments, more work and play environments. Companies like transit hubs for office locations.”⁹ Thriving urban centers with transportation choices can attract new industry and improve existing job bases including tourism, education and health care.

Commuters prefer to live in places with easy access to their jobs

Figures 7 and 8 show that workers commuting into Downtown Pittsburgh are coming from diverse locations across the region. However, recent trends indicate that workers increasingly prefer to live near where they work and enjoy a higher quality of life that is free from the strains of traffic and congestion, making jobs and housing near transit an increasingly popular choice.¹⁰ One study on the relationship of commute time to quality of life found that adding 23 minutes to commute time had the same effect on happiness as a 19% reduction in income.¹¹

⁷ Kneebone, Elizabeth. Job Sprawl Revisited: The Changing Geography of Metropolitan Employment. Brookings Institute, 2009

⁸ Strategic Economics. FTA New Starts Economic Development Criteria Working Paper, November 2006.

⁹ Bergsman, Steven, “After the fall: Opportunities and Strategies for Real Estate Investing in the Corning Decade, 2009.

¹⁰ Belden Russonello & Stewart, “2004 National Community Preference Survey,” prepared for Smart Growth America and the National Association of Realtors, October, 2004. Accessible at www.realtor.org.

¹¹ CEOs for Cities. “Portland’s Green Dividend,” July 2007.

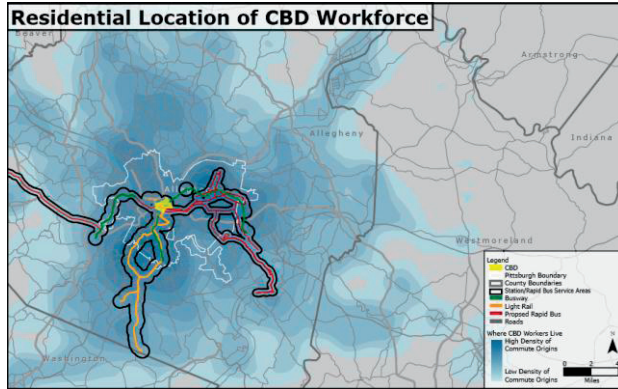


Figure 7: Commute pattern into Downtown Pittsburgh, 2010

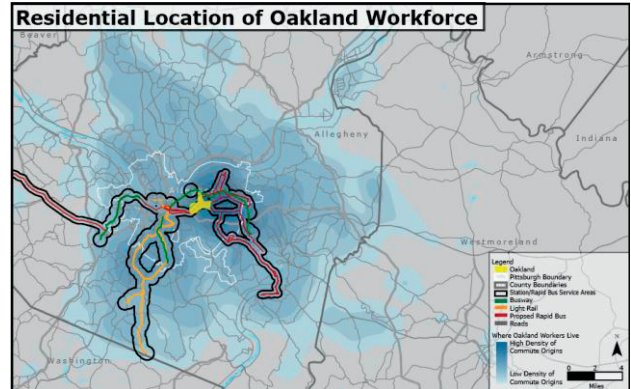


Figure 8: Commute pattern into Oakland, 2010

Employers also benefit when workers can commute without fighting congestion. High quality transportation alternatives have been shown to reduce tardiness, absenteeism, and give employers a competitive advantage in the search for high quality employees. Employees taking transit are less affected by the grind of driving to work in daily traffic.¹²

Workers in the CBD may decide to live anywhere with access to the regional transit network to reach jobs in the central city. However, workers in more suburban job centers may increase the demand for housing near those suburban centers. Non-CBD destinations are more limited in the pool of workers they can access on transit alone. Therefore, enhancing the concentration of housing in these job centers is important for increasing overall workforce access to jobs. These non-CBD job centers are also hot markets for future real estate development. ULI's 2010 Emerging Trends in Real Estate report remarks that apartments are "the only place with a hint of hope" in the recent market and that places near mixed use centers and transit corridors are the most attractive during the downturn.¹³

Some jobs are more transit-oriented than others

The physical form of some employment uses like manufacturing, warehousing or big box retail, cannot be easily built at the densities and concentrations that promote high transit-ridership, especially when located in isolated single-use districts.

Research in the San Francisco Bay area has shown that transit commuters tend to work in the professional, technical or financial services, or in insurance, government, or quasi-public agencies. Employees of hotels and some types clothing stores are also more likely to take transit. Comparing the total number of jobs in three broad industries in Pittsburgh tells a similar story.

Table 2. Employment by Industry in the Pittsburgh Region, and Near Fixed-Guideway Transit¹⁴

Industry Type	Region	Near Transit
Office	44.4%	59.7%
Shopping and Entertainment	29.2%	24.1%
Non-Office	26.2%	16.1%

¹² Guliana, E., A. I. Glendon, G. Matthews, D. R. Davies, and L. M. Debney. The stress of driving: A diary study. *Work & Stress*, Volume 4, Issue 1 January 1990, pages 7 – 16.

¹³ Urban Land Institute, "Emerging Trends in Real Estate," November 2009.

¹⁴ Longitudinal Employer Dynamics, Center for Transit-Oriented Development, 2008.

In the Pittsburgh region, office-based jobs are the largest share of the workforce, while shopping and entertainment jobs and non-office jobs (including manufacturing and transportation-related industries) have similar number of jobs in the region.

However, office-based jobs are over twice as likely to be near transit than the other two types examined here. This evidence does not mean that only office-based jobs should be placed near transit, but these jobs are a natural fit with transit due to their higher densities, and when integrated into walkable jobs centers that have local amenities and destinations for workers to run errands, get lunch, and easily access transit, the benefits for the region and for transit ridership can be realized.

Beyond major transit connections to employment clusters, planning needs to incorporate pedestrian and bicycle access and “last-mile” connections

Many of the existing job centers in Pittsburgh are near transit, but ensuring that the connections between the transit station and the jobs themselves is direct and comfortable will make a significant difference in whether transit will provide commuters with a real transportation choice. Workers are three and a half times more likely to take transit to work if the stop is located close to their office, but are exponentially less likely to take transit if their jobs are farther away from the station.¹⁵ If development continues on heavily traveled lines and in station areas, more mobility investments along these corridors will shape and extend development pressure from major centers and spur greater building densities. One key to sustaining and capturing this market potential within existing employment clusters is to enhance accessibility through improved bicycle and pedestrian access to stations.

Families in Pittsburgh living in location efficient neighborhoods can save up to \$8,100 a year on transportation costs.¹

Make Living More Affordable

Transit rich areas provide lower transportation costs and affordable living options for local households

Transportation costs are often a hidden factor in defining affordable living in the United States. Yet for the average household, transportation is the second greatest expense after housing, and collectively housing and transportation can make up more than half of annual expenses.¹⁶ Figure 9 shows the average household spending nationally; an average family spends approximately 19% on transportation while households with good transit access spend only 9%. In Pittsburgh, the typical household spends 25% of its income on transportation, while households near fixed-guideway transit spend 20%.¹⁷ Households in neighborhoods with a rich network of shopping, jobs, and services can save even more. Holding housing costs constant, households in transit rich neighborhoods can choose to spend their transportation cost savings in a variety of ways that meet their daily needs.

¹⁵ Cervero, Lund, Willson, “Travel Characteristics of TOD in California,” January 2004

¹⁶ Center for Transit-Oriented Development. Realizing the Potential: Expanding Housing Opportunities Near Transit, 2007.

¹⁷ Center for Neighborhood Technology. Available at toddata.cnt.org. Pittsburgh households have a higher share of spending on transportation compared with the national average due to the lower median household incomes in the region.

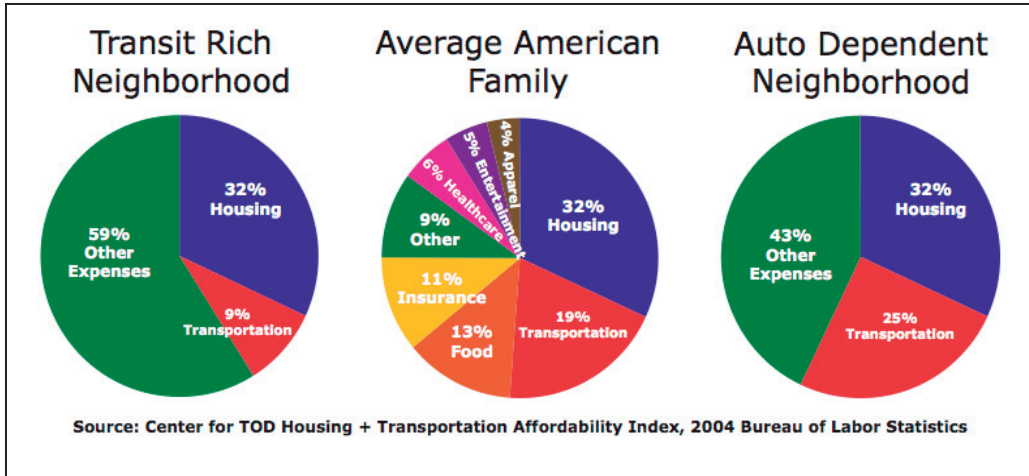


Figure 9: Housing and Transportation Costs Compared (National Data)

Location efficiency supports affordability

While many home buyers “drive to qualify” for lower cost housing at the edge of the urban area, additional transportation costs can quickly eat up housing savings, especially as gas prices fluctuate. A 2005 study reported that for every dollar saved on cheaper housing in the suburbs, households spend 77 cents more on transportation.¹⁸ Figure 10 shows how the combined costs of housing and transportation change the way we think about neighborhood affordability: outlying neighborhoods with lower cost housing are substantially less affordable when one considers transportation costs.

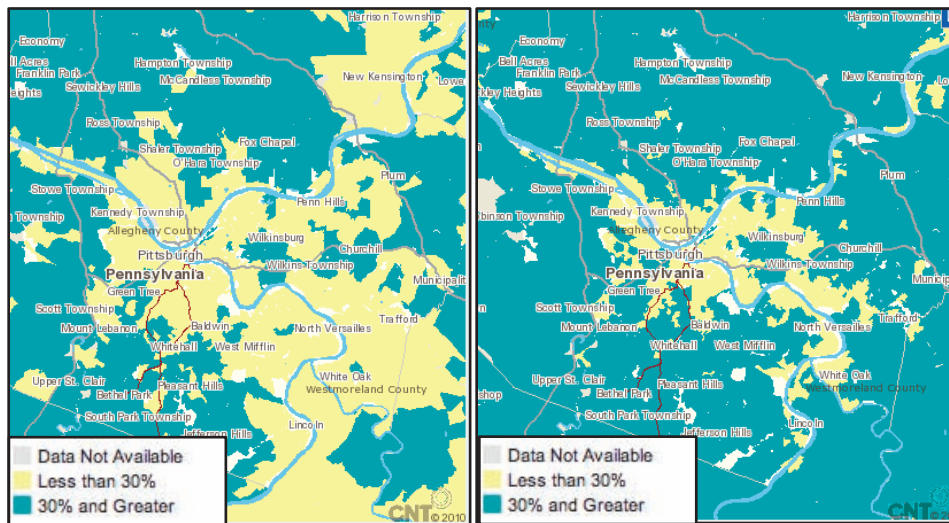


Figure 10: Housing Costs (Left) Compared with Combined Housing + Transportation Costs (Right) as a Share of Median Household Income¹⁹

A key component of reducing transportation costs is lessening auto dependence: households who must drive long distances to get to work, or whose only option is to drive to get groceries or take their children to school, will spend more money on transportation. When people have the choice to walk, bike, or take

¹⁸ Center for Housing Policy, “A Heavy Load. 2008.

¹⁹ Center for Neighborhood Technology, H+T® Affordability Index. Accessible at htaindex.cnt.org. Note: Legends denote areas where housing costs less than 30% area median income as an indicator of affordability, vs. 45% area median income as an indicator of the affordability of the combined costs of housing and transportation.

transit when commuting or doing other errands, and can thus own fewer cars or use their cars less, they are able to reduce their household transportation costs.

Families in the Pittsburgh region own an average of 1.5 cars (Table 3). Car ownership rates in transit zones throughout the city vary widely by neighborhood, from a low of 0.8 in East Liberty to 1.6 in Edgebrook. Because households make a wide range of different types of trips on a regular basis (commuting, shopping, day care, recreation, etc.), promoting a mix of land uses where appropriate, walkable communities, and transit access can all help households own fewer cars, and thus spend less on transportation.

There are many benefits to accommodating a diverse range of household types, incomes, and ethnicities near transit

While Pittsburgh's affordable housing picture is not as bad as many, locating households with a mix of incomes near transit can provide lasting benefits to the transit system, communities, and individuals. For many families, the ability to live near transit offers critical access to jobs, schools, health care and other opportunities. TOD that supports mixed-income communities can preserve and enhance the availability of housing that will address the needs of a range of household types.

Benefits of Mixed-Income TOD

- Offers truly affordable housing for a wide range of incomes, ages and mobility needs.
- Stabilizes transit ridership
- Broadens access to economic opportunity
- Relieves displacement and gentrification pressures in communities where people risk being priced out of the market

In Pittsburgh, the demand for housing near transit comes from a range of incomes and household types. Pittsburgh's lower income households are currently somewhat more likely to live near the fixed-guideway transit network, although few households have the opportunity to live near transit overall. In 2000, 47% of the region's households earned less than \$35,000, compared with 52% of households living near transit. However, only eight% of the region's households lived near transit in 2000 (with 9% of lower income households living near transit).²⁰ With rapidly growing demand for living near transit among Pittsburgh's younger nonfamily households and retirees, there is a significant need to connect more households to the transit network overall, or transit-rich neighborhoods may be priced out of range of working families.

Ensuring that housing options are available near transit simultaneously involves the development of new workforce and market rate housing and the preservation of existing affordable housing resources, both subsidized and not. It also involves the implementation of land use and affordable housing strategies that preserve housing before the market escalates out of reach for low-moderate income households. Additionally, there may be potential to more greatly intensify development near Pittsburgh's existing transit stations; as Table 4 shows, fixed-guideway bus and rail station areas in Pittsburgh accommodate on average nearly one-third of the number of residents compared with station areas in Philadelphia.

	Number of Stations	Population Near Transit	Regional Population	Share	Average Persons per Station
Pittsburgh	94	180,955	2,358,695	7.7%	1,925
Cleveland	81	147,527	2,250,871	6.6%	1,821
Philadelphia	394	1,372,764	5,474,569	25.1%	3,484

Table 4: Number of residents living near fixed-guideway transit in Pittsburgh, Cleveland, and Philadelphia, 2000²¹

²⁰ U.S. Census, 2000; Center for Transit-Oriented Development TOD Database. Available at toddata.cnt.org.

²¹ *ibid.*

Improve Livability for seniors

Safe, reliable, and accessible transit is necessary for older adults to perform daily trips without feeling excessively dependent on family members. When older adults live near and can access reliable public transit, life takes on a new meaning and feeling of independence. This can be critical for both mental and physical health. Access to reliable transportation however is often a challenge for many older adults, who also encounter poor infrastructure in their communities. According to an AARP survey, almost 40% of respondents cited inadequate sidewalks near their homes, and nearly 47% found it difficult to cross their community's main roads.²² TOD helps to address these issues by promoting equitable access that will serve the senior population and can also create affordable housing models that allow aging in place.

In a 2005 survey of older adults:

- **25%** of respondents gave their communities a D or F for offering amenities within walking distance
- **33%** of respondents said their communities fail to provide dependable public transportation
- **71%** of older households want to live within walking distance of transit

Source: AARP. *Beyond 50.5*. 2005

Livability for seniors is extremely important for Pittsburgh

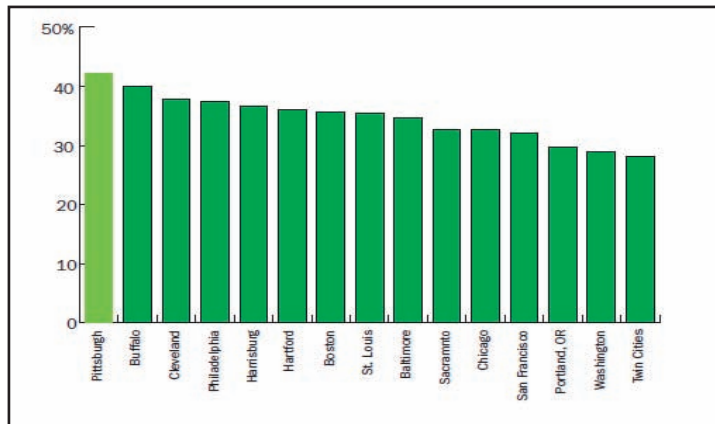


Figure 11: Comparison, percent, of households over Age 55

Currently, more than 17% of residents in the region are 65 or older, and that number is growing. By 2030, an estimated 24% of the population will be 65 or older.²³ While other regions are preparing for the aging of the baby boomers, it is already an issue in Pittsburgh today. Compact communities providing affordable housing and improved transit will be key to addressing the need of Pittsburgh's older residents. A recent AARP report highlights the five A's to senior-friendly transportation that can improve transit access for an older population.²⁴

- **Availability:** Transportation exists and is available when needed.
- **Accessibility:** Transportation can be reached and used (bus stairs, bus seats are high enough, bus stop is readable).
- **Acceptability:** Standards relate to conditions such as cleanliness, safety, and user friendliness.
- **Affordability:** Transit fees are affordable, comparable to or less than driving a car, and vouchers or coupons help defray out-of-pocket expenses.
- **Adaptability:** Transportation can be modified or adjusted to meet special needs.

²² AARP Office of Policy Integration. *The Policy Book: AARP Public Policies 2009–2010*. Washington, DC: AARP 2009

²³ Pittsburgh REMI Model, University Center for Social and Urban Research, available at http://www.ucsur.pitt.edu/files/peq/peq_2009-09.pdf

²⁴ AARP. *Linking Transportation and Housing Solutions for Older Adults*. Washington, DC 2010.

Relieve pressures of elderly isolation through TOD

Nationally, one in five adults over the age of 65 do not drive a car. The ability of these residents to drive is significantly impacted by proximity and accessibility to transit. Figure 12 shows the distribution of the senior population in Pittsburgh. It is important to note the number of census tracts with a significant older population, and their location outside of the existing transit network. Older residents outside of the transit network are isolated and more dependent in auto-oriented communities. Pittsburgh can address this isolation through improvement and expansion of existing transit service and creating additional programs geared toward seniors. In spread-out rural or suburban areas with limited access to public transportation, 61% of non-drivers age 65 and older stay home on a given day because they lack transportation options. In comparison, just 43% of older non-drivers living in more densely populated neighborhoods with good public transit stay home on a given day.²⁵ This isolation can have significant detrimental impacts on the mental health of older adults.

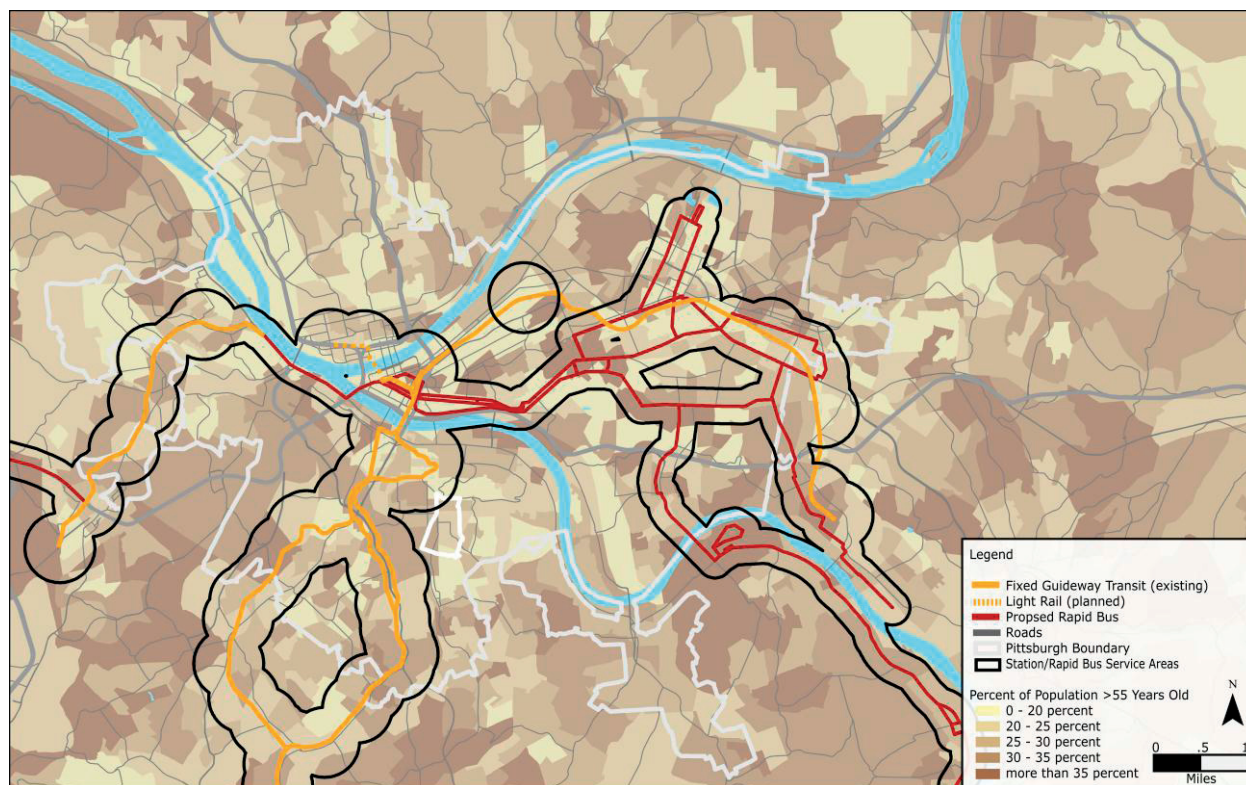


Figure 12: Senior population in Pittsburgh

Attracting and Retaining Young Professionals

Attracting and retaining a young, talented labor force is critical to the long-term economic competitiveness of the region. Strategies that focus on drawing workers in their mid-20s and early 30s are particularly key as this is the age when many are still young enough to be mobile, but starting to become rooted in their communities. As a report on young talent by CEO's for Cities notes, "people in the 25 to 34 year-old group are the most entrepreneurial in our society."²⁶

²⁵ Bailey, Linda. *Aging Americans: Stranded without Options*. Surface Transportation Policy Project, 2004. Available at http://www.apta.com/resources/reportsandpublications/Documents/aging_stranded.pdf

²⁶ Cortright, Joseph, "The Young and Restless in a Knowledge Economy," for CEO's for Cities, December 2005. Accessible at: www.ceosforcities.org/pagefiles/CEOs_YNR_FINAL.pdf

The same report notes that one of the key strategies for attracting these young professionals is to invest in vibrant neighborhoods at the core of a region. The report finds that 25 to 34 years olds are substantially more likely to want to live in close-in neighborhoods than they were several decades ago. Indeed, this finding was reinforced by the National Association of Realtors survey, which indicated that the 18 to 39 year old age group is the most likely of all age groups to want to live in a city rather than a suburb. The desirability of Pittsburgh's more mixed-use, vibrant communities was reinforced in newly released demographic data,²⁷ which showed residents who are new to Allegheny County concentrating in Oakland and Pittsburgh's downtown areas.

Bolster Long Term Value of our Neighborhoods

TOD creates value that can be reinvested in our neighborhoods and in the region as a whole to leverage community benefits such as creating and preserving affordable housing, making civic space improvements, or beautifying streets. But there is often a disconnect between the creation of value and the mechanisms for leveraging this value increase to fund new infrastructure or community improvements.

Long term value depends on more than just transit

Numerous studies have found a positive relationship between transit investments and nearby property values, and a growing body of research also shows that investments in neighborhood amenities such as parks and streetscape improvements have a direct impact on property values, and therefore, development feasibility. Studies measuring the relationship between transit and property values have wide-ranging results: proximity to transit has been shown to result in a price premium of up to 32% for single family homes and a premium of up to 120% for commercial real estate.²⁸ Transit is only part of the equation, and factors such as transit quality and frequency, station area connectivity, land use mix, and the relative ease of other modes of transportation also factor in. Streetscaping, for example, could result in a 28% gain in property values relative to similar homes in comparable areas such improvements.²⁹

One recent national study looked at the relationship between property values and walkability as measured by "Walkscore", an index that ranks communities based on how many businesses, parks, theaters, schools and other destinations are within walking distance.³⁰ The study found that office and retail properties command a 54% price premium over properties with lower Walkscores.³¹ Residential properties experience a \$700 to \$3,000 increase in home value for every one point increase in Walkscore.³² Public investments which improve walkability and quality of life are also shown to have a significant impact on property values. The presence of neighborhood parks, for example, was found to be correlated with a 7 to 15% increase in home values in Greenville, South Carolina.³³ The presence of local retail and services also contributes to walkability and is shown to have a positive impact on home values. Proximity to a movie theatre, for example, commands a price premium of 30% while proximity to specialty grocers is associated with a premium of 18%.³⁴

²⁷ Source: "Allegheny County Snapshot – Where New Residents are Moving," *Pittsburgh Economic Quarterly*. Pittsburgh: University of Pittsburgh Center for Social and Urban Research, March 2011. Data is from the U.S. Census American Community Survey, 2005 to 2009 rolling average.

²⁸ Fogarty, Nadine, Eaton, Nancy, Belzer, Dena, & Ohland, Gloria. *Capturing the Value of Transit*. United States Department of Transportation, Federal Transit Administration. (2008).

²⁹ Wachter and Gillen, "Public Investment Strategies: How They Matter for Neighborhoods in Philadelphia," The Wharton School, University of Pennsylvania (April 2006).

³⁰ <http://www.walkscore.com/>

³¹ Pivo, Gary, and Fisher Jeff. "Walkability Premium in Commercial Real Estate Investments." (Working Paper) Responsible Property Investment Center, University of Arizona. Benecki Center for Real Estate Studies, Indiana University. 2010.

³² Cortright, Joe. CEOs for Cities. "Walking the Walk: How Walkability Raises Home Values in U.S. Cities." 2009.

³³ Molly Espey and Kwame Owusu-Edusei, "Neighborhood Parks and Residential Property Values in Greenville, South Carolina," *Journal of Agricultural and Applied Economics* 33:3 (2001): 487–492.

³⁴ Johnson Gardner, "An Assessment of the Marginal Impact of Urban Amenities on Residential Pricing." *Portland Metro*. 2007.

Description	Valuation Impact
Residential proximity to transit	Up to 32% price premium
Commercial proximity to transit	Up to 120% price premium
General streetscape improvements	28% increase in home values
Presence of street trees	9 – 12% increase in consumer spending
Presence of neighborhood parks	7 – 15% increase in home values
Walkscore improved from 20 to 80 points	54% price premium for office and retail property
Walkscore improved by one point	\$700 - \$3,000 increase in home values
Proximity to urban retail amenities	3 – 30% residential price premium
Proximity to commercial corridor in “excellent” condition	11 – 23% residential price premium
Remediation of brownfield sites	3 – 11% increase in housing prices

Table 5: Value premiums for various neighborhood improvements

New investment and tools are necessary to create and capture value

Because Pittsburgh’s transit system has been in place for decades, any new transit-derived incremental value can only be captured via investment in transit infrastructure and transit access. These continued investments in neighborhoods, both to connect them to the regional network and to provide improved access to the existing network, are essential in spurring reinvestment and deploying value capture tools and strategies. Long-term community visions that identify implementation needs and the tools and strategies to fund those needs are an important component in ensuring that value created through new public investments can be captured to fund those improvements and other community investment. When these plans are done along an entire transit corridor—as in the planned Central Corridor connecting Minneapolis and St. Paul, Minnesota—as opposed to around an individual stop or station, there are opportunities to determine the optimal targeting and phasing of the full range of investments needed to make high-quality TOD happen.

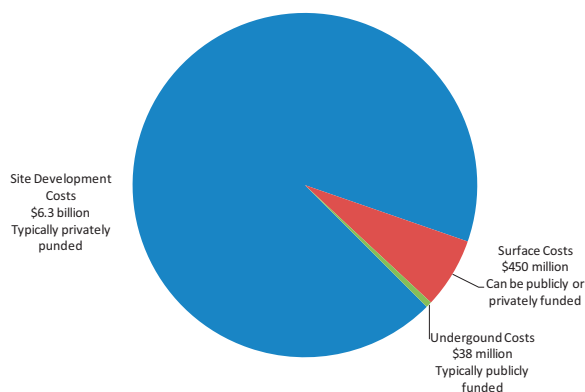


Figure 13: The investments needed to realize a TOD vision for the Minneapolis-St. Paul Central Corridor.

District-based financing tools hold promise

Emerging tools, such as Pennsylvania’s TRID program, and potential new Federal sources can help address new investment needs, but there will be no one-size-fits-all approach to implementing TOD.

In some cases, a district-based financing approach would be advantageous, and appropriate, where access or other public improvements would benefit the broader neighborhood. A district-based approach may generate additional value because it capitalizes on property value increases within a district, rather than on a single site. There are challenges to implementing district-level tools, including the fact that systems may not yet exist to monitor and capture district-level increments. In addition, unlike site-level underwriting as in TIF, district-level risk and guarantees are not clearly understood yet, causing a freeze in the market. Therefore, using these tools must necessarily be preceded by a further examination of why it hasn’t already been implemented and how these barriers can be overcome. This can be supplemented with examples from regions and cities that have successfully implemented value capture mechanisms.

Making It Happen: How do we get there from here?

No one actor is capable of achieving these four strategies to achieve successful TOD. TOD is clearly a multidisciplinary function that requires the involvement of a wide range of actors. New models for coordinating these actors are emerging every day throughout the country.

Guiding principles for implementation

The three common lessons learned guiding the success of these models are: (1) work together regionally and across jurisdictional boundaries; (2) establish clear investment goals and priorities; and (3) engage a wide range of stakeholders.

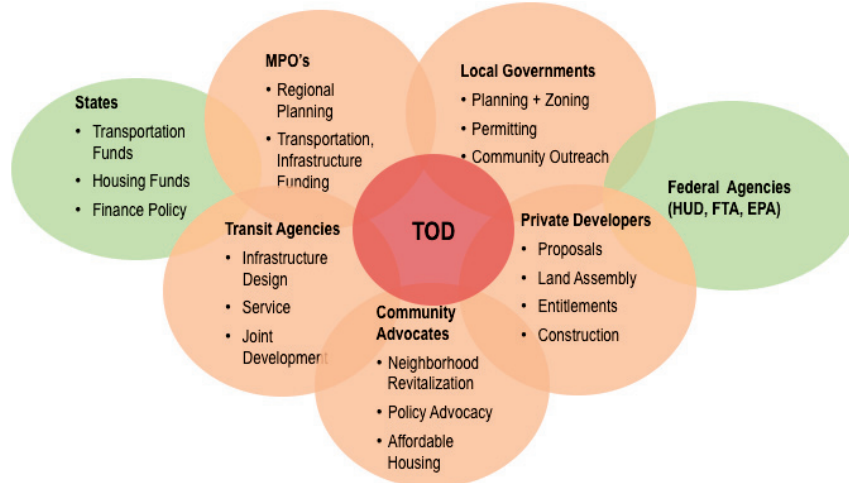
Work together regionally

When working together at the regional level, it is critical to work across jurisdictional boundaries to avoid piecemeal investment approaches. TOD can reach a “critical mass” where it becomes the primary investment approach in a region, but this requires having a series of investments that demonstrate success. Pittsburgh has a solid foundation of both transit and transit-oriented communities to start from, and in this regard is more advanced than other regions. However, continuing to coordinate at the city and regional scale to leverage resources will be important into the future.

Establish clear investment goals and priorities

Because neighborhoods will have different needs and opportunities for TOD, it is important to establish clear investment goals and priorities for all scales of TOD investment. Identifying the stations in most need of or most ready for streetscape and access improvements, affordable or market-rate development, or other investment needs is important in building consensus around TOD investments.

Engage a range of stakeholders



No one actor can implement high-quality TOD on its own. Community-based organizations, transit providers, local, and regional governments all benefit from coordination and collaboration. For any component of implementing TOD, different partners may need to take a lead role and/or have an investment stake.

Figure 14: Typical TOD Stakeholders

Best-Practice Implementation Models

There are models for TOD implementation that utilize these guiding principles in a number of regions including Baltimore, Minneapolis/St. Paul, and Denver, Colorado. Elements from these models are informing thinking in the Pittsburgh region and help outline a path forward for implementing a high-regional TOD strategy.

Central Corridor Funders Collaborative

The Central Corridor Funders Collaborative (CCFC) is a partnership of 11 local and national funders working with community-based organizations and public-sector stakeholders to guide development of the new light rail transit line along the Central Corridor between Saint Paul and Minneapolis. The 11-mile corridor will connect a series of low- and moderate-income neighborhoods to three of the largest regional employment clusters—Downtown Minneapolis, Downtown St. Paul, and the University of Minnesota—as well as the rest of the growing regional transit network.

Envisioned as a ten-year initiative, CCFC supplements the programs and investment of the individual member foundations to support stable and thriving neighborhoods throughout the Central Corridor that reflect community identities and link all people to regional opportunities and local amenities.

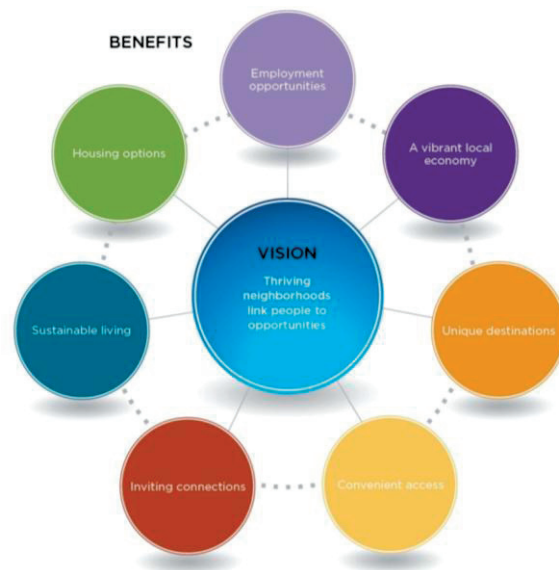


Figure 15: Central Corridor Funders Collaborative Investment Framework

Through its Catalyst Fund, the collaborative expects to invest \$20 million over 10 years. To date, they have raised \$5 million to invest in corridor-wide strategies, planning and action that address corridor-wide benefits, and supported the formation of several multi-sector partnerships that are pursuing these benefits.

The CCFC supports innovative programs and planning studies that serve to achieve the goals of the collaborative. The collaborative has supported efforts to look at development feasibility in the corridor, assess the potential for a world heritage district and a property acquisition fund, and is currently supporting the Long-Term Investment Framework that will identify the lead actors and implementation strategies for all of the investments in addition to the \$950 million LRT investment to create transit-oriented communities along the length of the corridor.

Baltimore Regional TOD Strategy

The Central Maryland Transportation Alliance, an advocacy organization bringing together the equity, environmental, and business community in the Baltimore region sponsored the development of a regional TOD strategy. A Steering Committee, composed of local and state-wide public officials, community-based advocacy organizations, and philanthropic partners developed a regional implementation strategy that identified key investments in the short-, medium-, and long-term, including both transit and community development needs. The methodology identifies not on priority regional locations for TOD investment—the “where” of TOD—but also a framework for approaching development and multi-modal transportation investment in any location—the “who”, the “what”, and the “how” of TOD. This

framework is intended to be a tool not just for the major regional stakeholders, but also a means for engaging individuals and local communities around the potential benefits and tools for realizing high-quality TOD in the region.

The regional strategy has continued to enable a multi-sectoral partnership that has served as a voice for transit investment and equitable TOD and has helped focus attention on critical projects in the region.

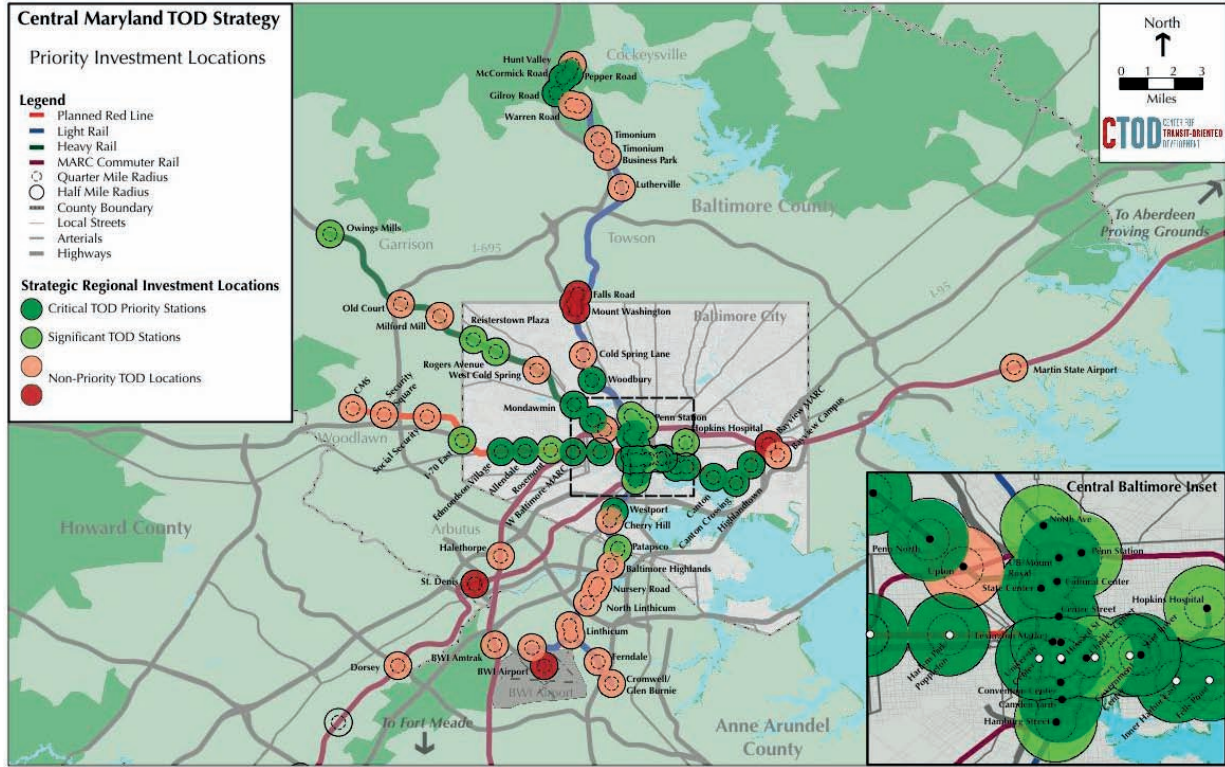


Figure 16: Central Maryland TOD Strategy Priority Investment Locations Map

Denver TOD Strategic Plan

The Denver region is building 119 miles of rail and 70 stations in a dozen years, increasing the number of stations within city boundaries from 19 to 49. The TOD Strategic Plan provides the city with clear direction on the short, medium, and long-term actions it must take to optimize the opportunity for TOD at each station. The plan helps the city allocate resources so that stations with near-term potential are able to move forward with current market forces, while long-term development opportunities are preserved at those stations where current market conditions are weak. A key part of this effort is the adoption of a TOD Typology, a set of place “types” that define the desired mix of uses, scale, function and transit facilities at each station and reflect both market feasibility and what communities want. As part of this process, the Denver Regional Transportation District (RTD), the regional transit agency, to ensure clear, consistent communication with the city and to help coordinate land use policy with expectations for ridership.

Since the adoption of the TOD Strategic Plan in 2006, the City and County of Denver have completed station area plans for 8 stations simultaneously and are working to integrate transit-oriented development opportunities into a revised citywide zoning code. In implementing the Strategic Plan, the City is also working to stabilize the communities around transit stations by preserving existing mixed-income housing and creating the opportunity for new affordable housing. The plan has also served as the platform for collaboration between the City of Denver and the City of Lakewood public housing authorities, which own parcels within walking distance of nearly every station along the next transit corridor to be built in the region. The two agencies are collaborating on developing a plan that will leverage these existing affordable housing resources for expanded long-term affordability, even as there is increased market interest in the corridor.

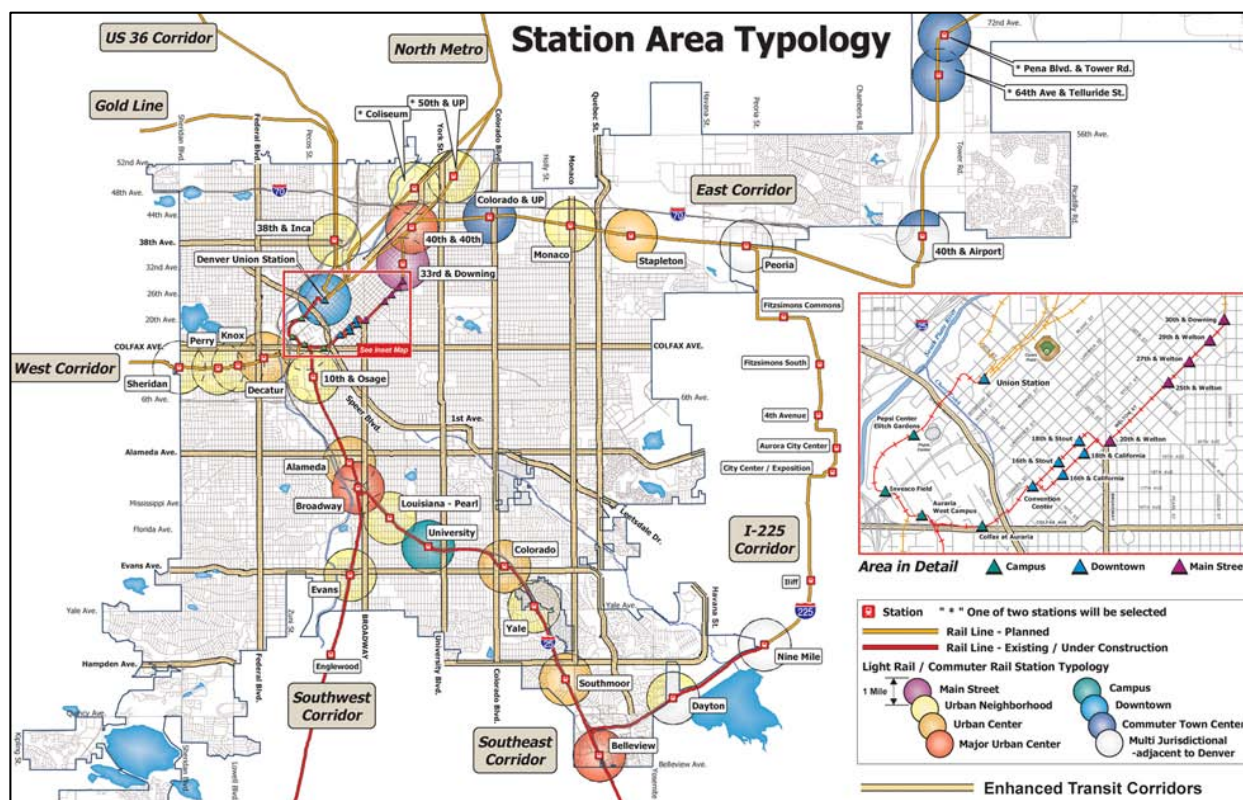


Figure 1: Denver's TOD Strategic Plan identifies "Place Types" for each station.

Conclusion

In response to the challenging financial climate created by the recession, cities and regions across the U.S. are taking bold steps to re-brand themselves as leaders in this new economy. Fast growing regions in the south and west understand the benefits of improving their residents' quality of life with transit service, and are in many cases taxing themselves to accelerate transit expansion. Walkable, transit-rich communities have a demonstrated economic resiliency, which is reinforced when these communities enjoy stable transportation costs at a time of volatile gas prices. The federal government also understands the need for more livable communities, and is working to ensure that federal agencies support livability initiatives throughout the country.

In many ways, Pittsburgh is ahead other regions where transit connectivity and walkable neighborhoods are concerned. Our existing, well-utilized transit network provides us with the transit frequency and reliability needed to maintain a good quality of life. Our historic neighborhoods offer the walkable communities other places try to replicate, as well as a rich historic building stock. But this is also a critical time of need to reinvest in these assets. Our transit service continues to suffer from operating deficits and cuts in service will impact our transit dependent working families and seniors, while also detracting from our competitiveness with other regions that are maintaining their service. Many of our station areas could be better integrated into the fabric of our communities with better visibility and access. And small investments in our pedestrian infrastructure, streetscape, and built environment can result in major improvements in economic revitalization and enhanced value in our communities.

To catalyze these improvements, we need to work together to target our limited resources towards the places that need them most. Better coordinating our transportation investments with our plans for housing, community infrastructure, social services, and economic development plans will enable the region to capture the latent market demand that exists for walkable, transit-oriented communities. Accomplishing the benefits discussed in this brief will require an unprecedented level of intergovernmental and cross-issue coordination. Many groups, including the public and private sector, governmental agencies, community and elected leaders, and citizens of many backgrounds, have an important role to play.

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