



Outline

- Metro TOD/Centers Program
- Project Review Process
- Project Examples
- Density
- Cost Premiums



Transit Oriented Development Program

Joint Development Enabling Legislation



- Legislation Codified under Section 49 USC
 - 5309 (a)(5) and (f); and 5309(a)(7).

FTA Joint Development Policy & Threshold Criteria Published in Federal Register, March 14, 1997.

A development project *IS* a transportation project if it is *physically or functionally connected* to transit and *enhances* the transportation system.

Transit-Oriented Development Program

Fundamental Characteristics

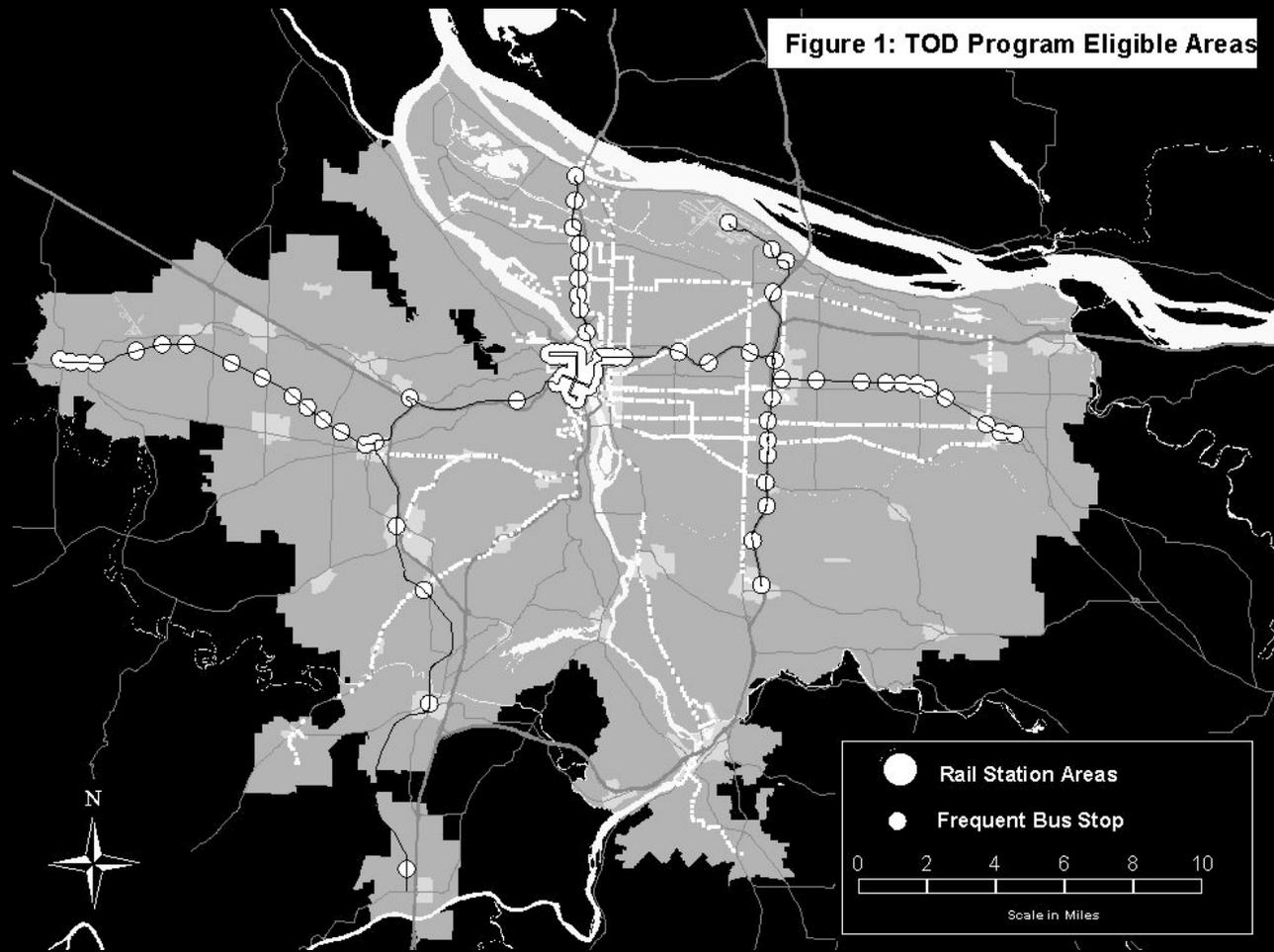
TOD projects have three fundamental characteristics that enhance transit ridership:

- A mix of moderate to high intensity land uses;
- A physical or functional connection to the transit system;
- Design features that reinforce pedestrian relationships and scale—a walkable environment.



Transit Oriented Development Program

Eligible areas



Transit Oriented Development Program

Typical TOD building Elements

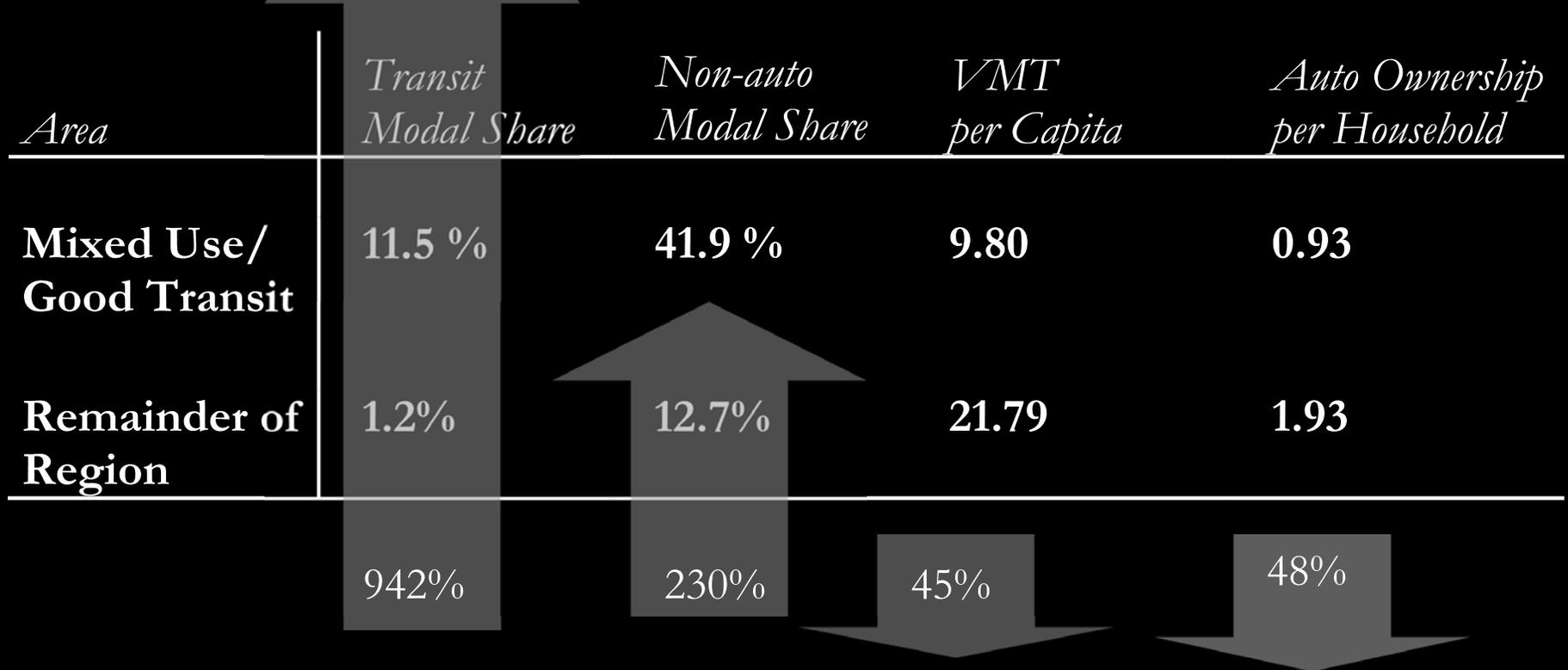
- Urban architecture (style, materials, uses)
- Mid to high density
- Access convenient to walkers, bikers, transit and auto users, *pedestrian is king*
- Parking structured and/or hidden with low ratio
- Building contributes to street life through design and uses
- Uses interact with pedestrians
- Building massing helps create link to transit
- Green Building



Transit Oriented Development Program

Why is a program necessary?

Metro Travel Behavior Survey



Transit Oriented Development Program

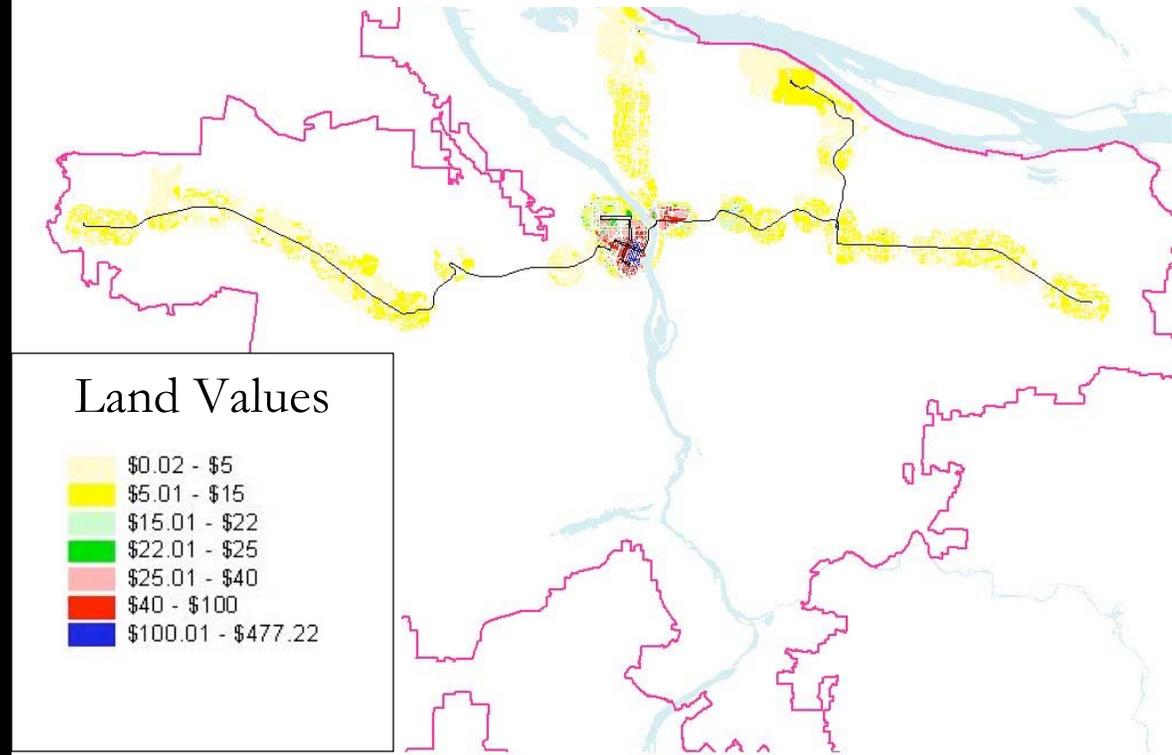
Why is a program necessary?

Land Economics

Planning alone permits,
but doesn't cause,
urban scale projects.

Land economics is a
major factor.

2000 Assessed Land Values Within One-Half Mile of
Fixed Transit in the Portland Region



Transit Oriented Development Program

Why is a program necessary?

Two factors that most influence ridership: density & proximity.



Good Design Can Solve the Density Riddle

Transit Oriented Development Program

Why is a program necessary?

How to get the density



One less expensive way to support residential bearing walls is with steel.

Project Review Process



Project Review Process

Base Case vs TOD Case

Must have:

- Cost Premiums and
- Ridership Delta



Project Review Process

Cost premiums

Added costs to a project as a result of higher density and mixed use

- Structured parking
- Firewall separations
- Elevator
- Wider footings and stemwalls

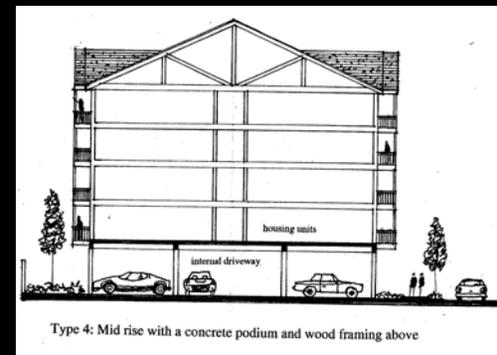
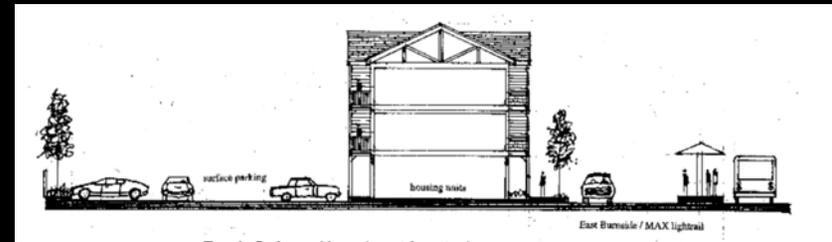


Project must have cost premiums to be eligible for funding

Project Review Process

Ridership Delta

1. Determine Base Case (eg. 1 story retail or 3 story apt with surface parking)
2. Determine TOD Case (eg. 5 story mixed use)
3. Determine Transit Ridership Delta
4. Capitalize farebox revenue over 30 years
5. Compare to cost premiums, the lower of the two numbers is operative - almost always farebox revenue



Project Review Process

Example 1: Base Case vs TOD Case



20du/acre

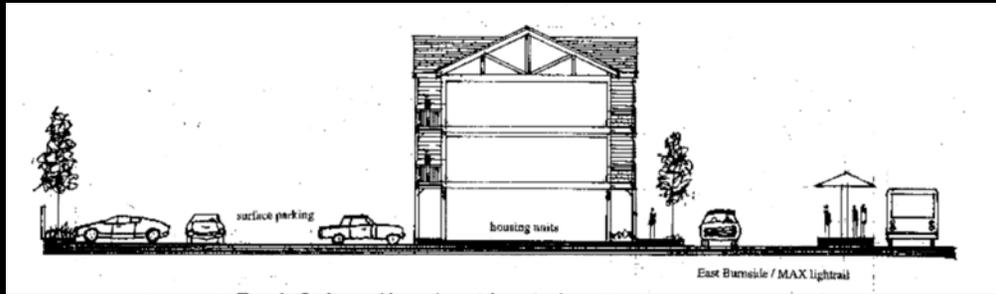


60du/acre

Cost premiums and ridership delta

Project Review Process

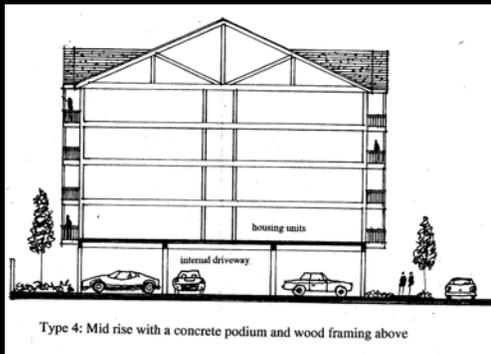
Example 2: Base Case vs TOD Case



Three story surface parking,
no firewall separation, single
use

20 apartments

VS



Five story structured parking, firewall
separation, mixed use

130 apartments + retail

Project Review Process

Example 3: Base Case vs TOD Case



The Merrick - 15,000 sf of retail and 185 units - qualified because the base case was either

- 1 story commercial

OR

- 4 story apartment with no retail



Project Review Process

Example 4: Cost premiums



Gateway three story condo **Did Not Qualify** because no cost premiums



172nd **Did Qualify** because structured parking and firewall separation AND added ridership

Project Examples



Villa Capri West



The Round: Phase I



Photos by DANA E. OLSEN/THE OREGONIAN

A worker on a hydraulic lift applies a finishing touch to the Crescent Building within the Round at Beaverton Central. Sales agents have begun showing the 65 condominiums inside the Crescent and adjacent Promenade buildings. The long-delayed project has residential as well as commercial tenants on the horizon.



Central Point Phase 1



The Crossings



Center Commons

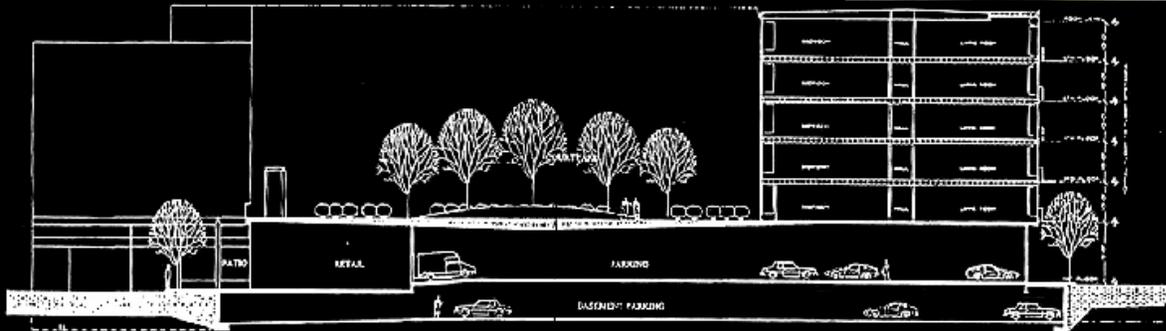
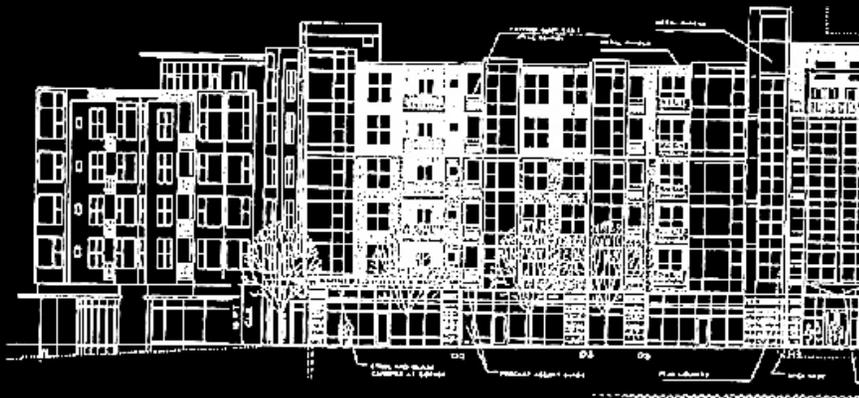


- 4.88 acre site—314 units
- Mixed-use, mixed-income project (senior housing, family affordable, market rate apartments., childcare, retail space)
- Model Partnership (developer, state housing, PDC, TOD Program, Tri-Met)

Russellville Phase II



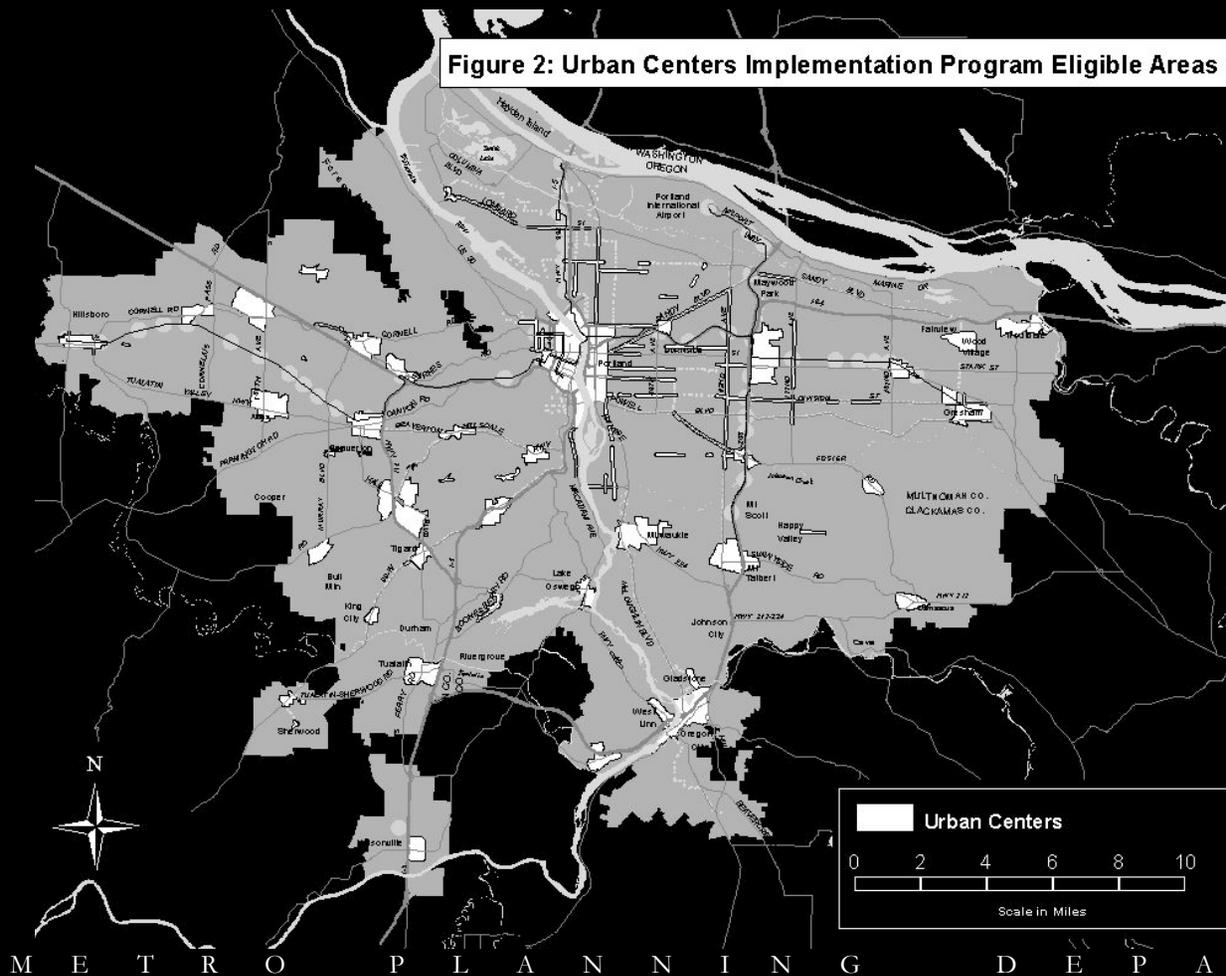
Lloyd District Mixed Use



Centers Implementation Program

Regional and Town Centers

Figure 2: Urban Centers Implementation Program Eligible Areas



REGIONAL & URBAN CENTERS IMPLEMENTATION PROGRAM

\$1.0 MILLION

The Regional & Urban Centers Implementation Program is requesting one million dollars of MTIP funding to stimulate the construction of significant infill and redevelopment and other joint development projects through public-private partnerships in Metro's 2040 mixed-use areas served by high frequency bus routes. This new development will be compact, relatively dense, mixed-use, and mixed-income. It will concentrate retail, housing and jobs in pedestrian-scaled urban environments, and increase non-auto trips (transit, bicycle, walking) while decreasing regional congestion and air pollution. This style of development can induce 10 times more transit ridership than typical suburban development, but is more expensive and more risky for the private sector. Therefore, public/private partnerships are necessary.



Metro's 2040 Transit Behavior Study indicates that mixed use with higher levels of transit service results in a 10-fold increase in transit use compared to the rest of the region.



Centers Implementation Program

Project Selection Criteria

- Provision for mixed-use and higher density development
- Project creates a sense of place in the Center
- Site control by public entity or willing and capable private developer
- Project participation by other public partners
- Potential reduction in regional VMT or of home to work trip length
- Increase in walk, bike and transit trips
- Floor area ratio of 1:1



Centers Implementation Program

Projects Illustrated

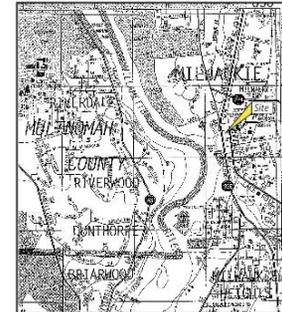
Milwaukie North Main Village



Main Street Phase II Opportunity Site

Harrison St. and Main St. Mixed-use
Project, Milwaukie, OR

Vicinity Map



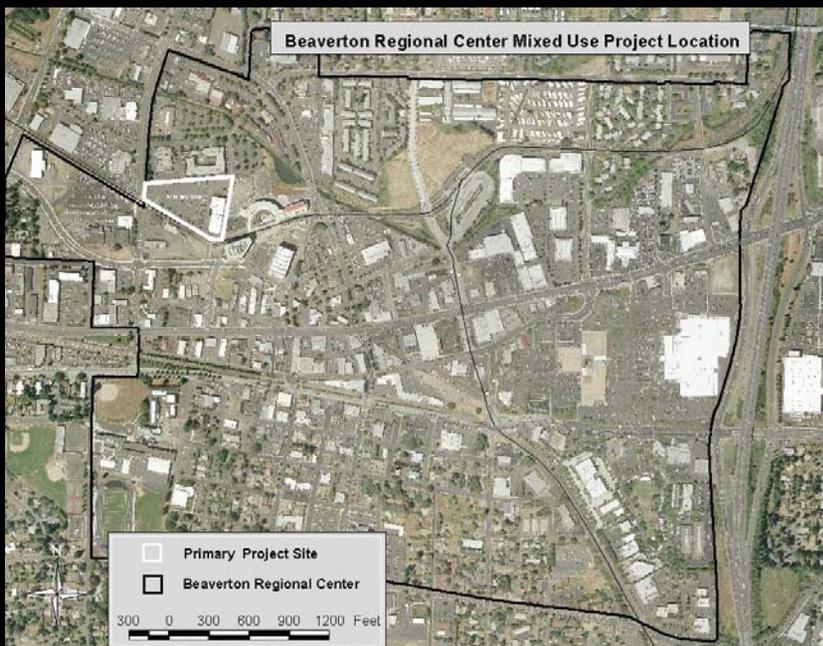
Metro TOD Program, March 2010

Milwaukie Phase II

Centers Implementation Program

Projects illustrated: Beaverton Regional Center

Developers and consultants agree that Beaverton needs to focus on land assembly to facilitate project implementation.



BEAVERTON REGIONAL CENTER
URBAN CENTER
Development Project \$3 Million

The Beaverton Urban Center project will acquire a 3.9 acre Transit Oriented Development portion of a 4.57 acre parcel immediately adjacent to the newly resurfacing Beaverton Round providing an exceptional mixed-use transit oriented development (TOD) opportunity next to Beaverton Central transit station. The development vision includes 3 or more buildings ranging from 5-10 stories in height transforming the site into a vibrant mixture of uses that will include 30,000 square feet of ground floor retail space, 90 housing units and 220,000 square feet of office space in two buildings with structured parking. The Floor Area Ratio (FAR) will be nearly 2:1, substantially higher than the goal of 1:1 established for urban centers.



Beaverton and Metro councils held a joint meeting to discuss opportunities and constraints in the Beaverton Regional Center.

Centers Projects - No Public Financing

Projects with NO COST PREMIUMS



For Sale Rowhouses



Apartments with surface parking

Urban form will contribute to center vitality. FARs will be lower than 1:1 on these projects, but they can be important elements of centers.

Centers Projects - No Public Financing

Projects with NO COST PREMIUMS



Office with surface parking

Urban forms will contribute to center vitality. FARs may be lower than 1:1 on these projects, but they can be important elements of centers.



1-2 story commercial including retail



Projects without parking

Centers Projects - Public Financing

Projects WITH COST PREMIUMS

- Higher density housing with structured parking
- All mixed use projects with firewall separation and/or structured parking
- All projects with high FAR (over 1:1 with parking)



2040 Centers and the Framework Plan

Housing densities

Regional Centers

– 60 units/acre

realities: requires some form of structured parking

Town Centers

– 40 units/acre

realities: requires low parking ratio and/or structured parking

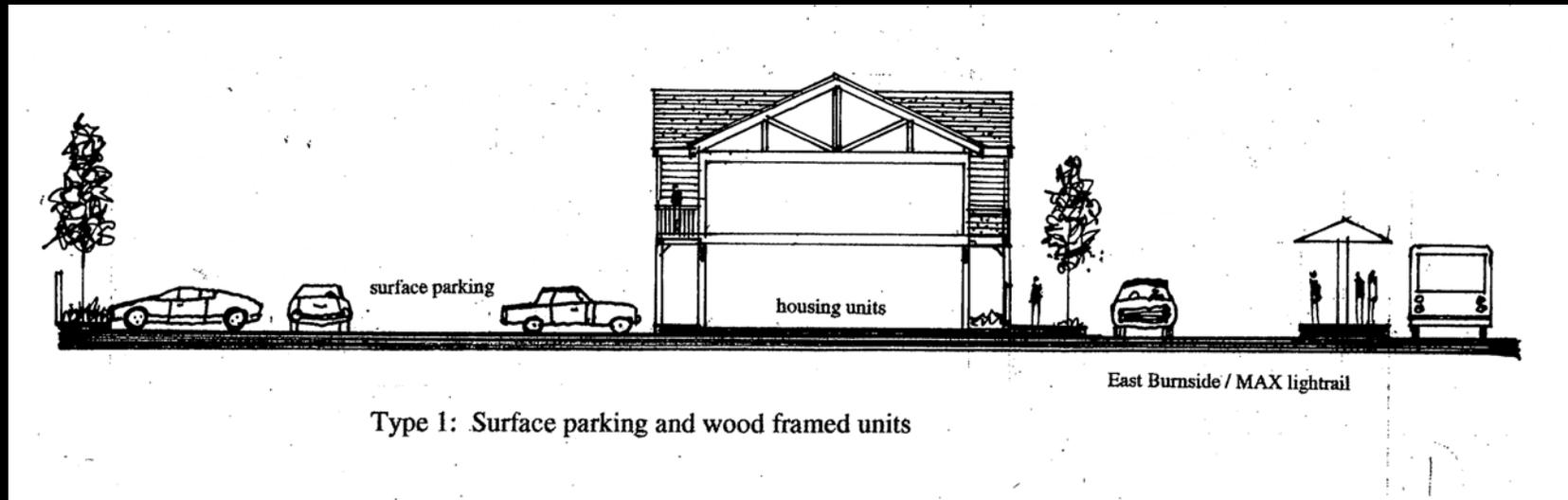
What does density look like?



17-22 units / acre



2-3 stories surface parking

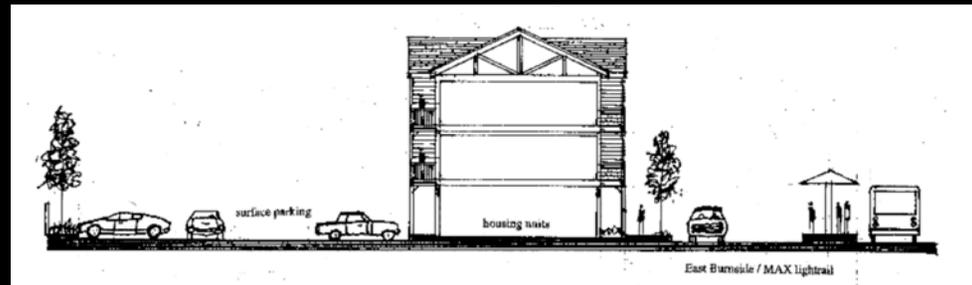


35 units/acre

Gresham Central

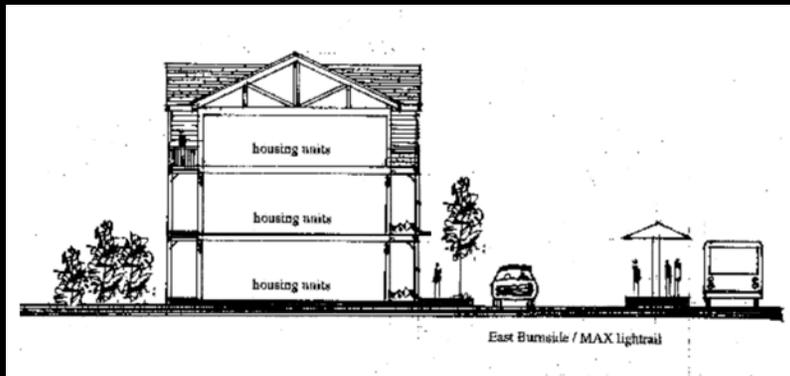


*3 stories reduced
parking ratio*



50 units/acre Gateway

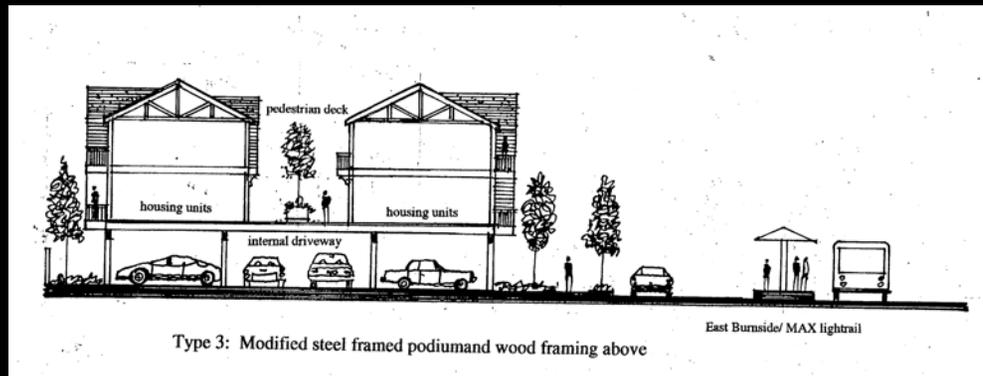
*3 stories
no parking*



60 units/acre 172nd and E Burnside



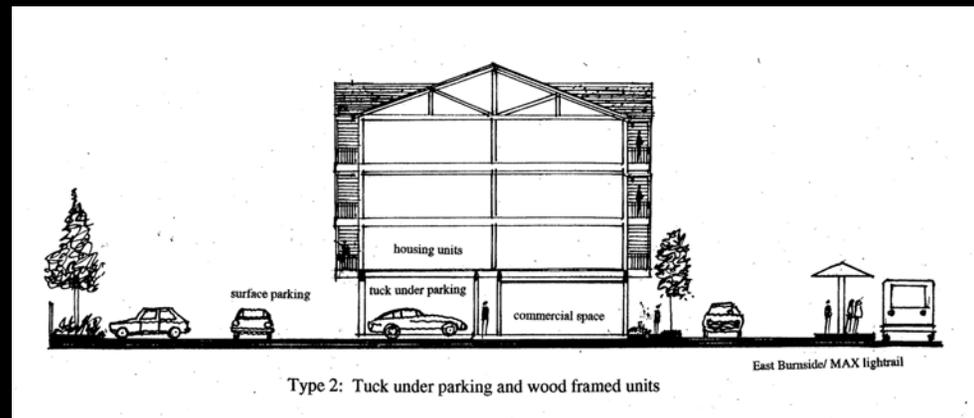
*3 stories
structured
parking, low
parking ratio*



82 units/acre Central Point, Gresham



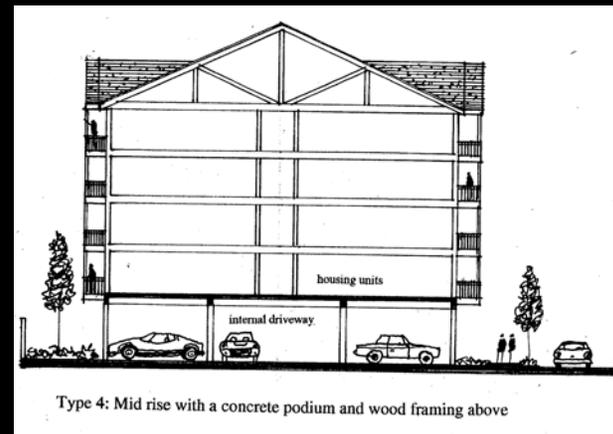
4 stories, tuck under parking, low parking ratio



137 units/acre Buckman Terrace

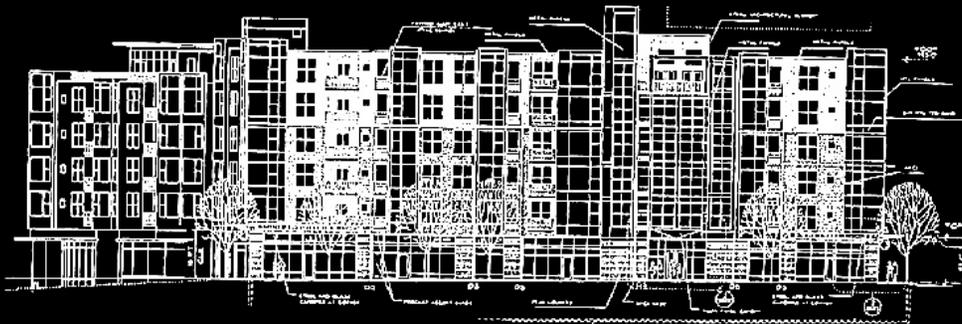


*5 stories,
structured
parking, low
parking ratio*

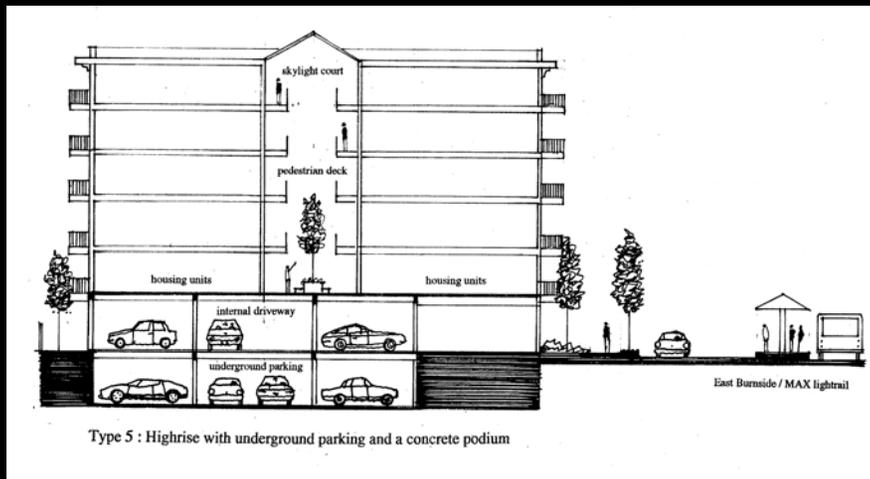


Type 4: Mid rise with a concrete podium and wood framing above

198 units/acre Merrick, Lloyd District



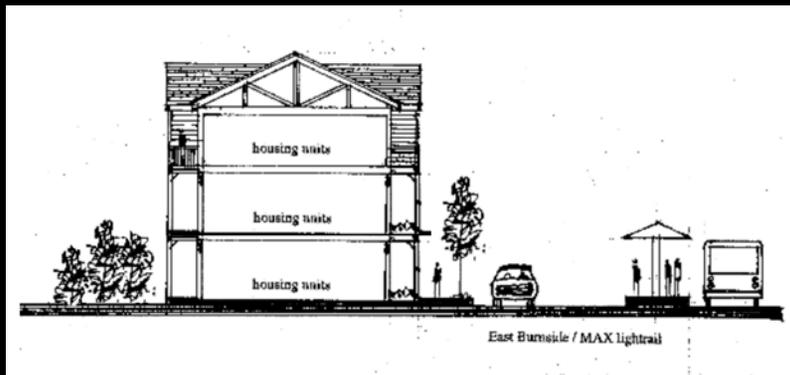
*6 stories
structured
parking, low
parking ratio*



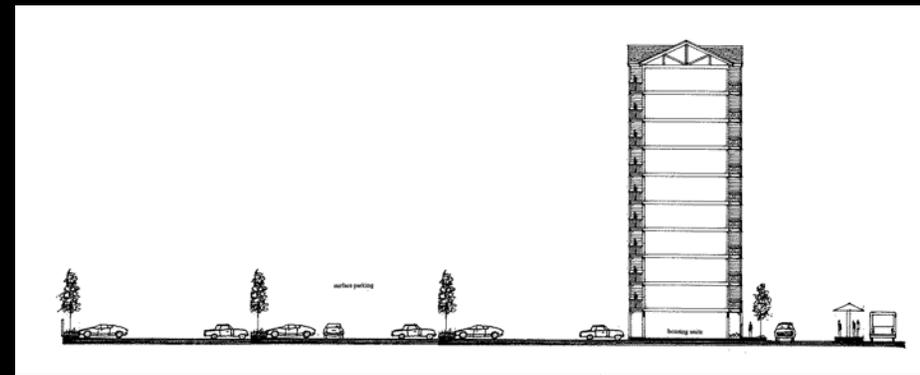
Interesting....



Its all about reducing parking ratio and structuring it....most centers still have high parking ratios - all centers need to reduce to 1.0 and allow as low as 0.7



*50 du/acre
3 stories
no parking*



*35-40 du/acre
10 stories
2:1 parking ratio (surface)*

Cost Premiums



The Crossings: Project Data

1.48 acres

81 housing units

20,000 s.f. retail

77 structured parking spaces

102 surface parking spaces

FAR 1.8

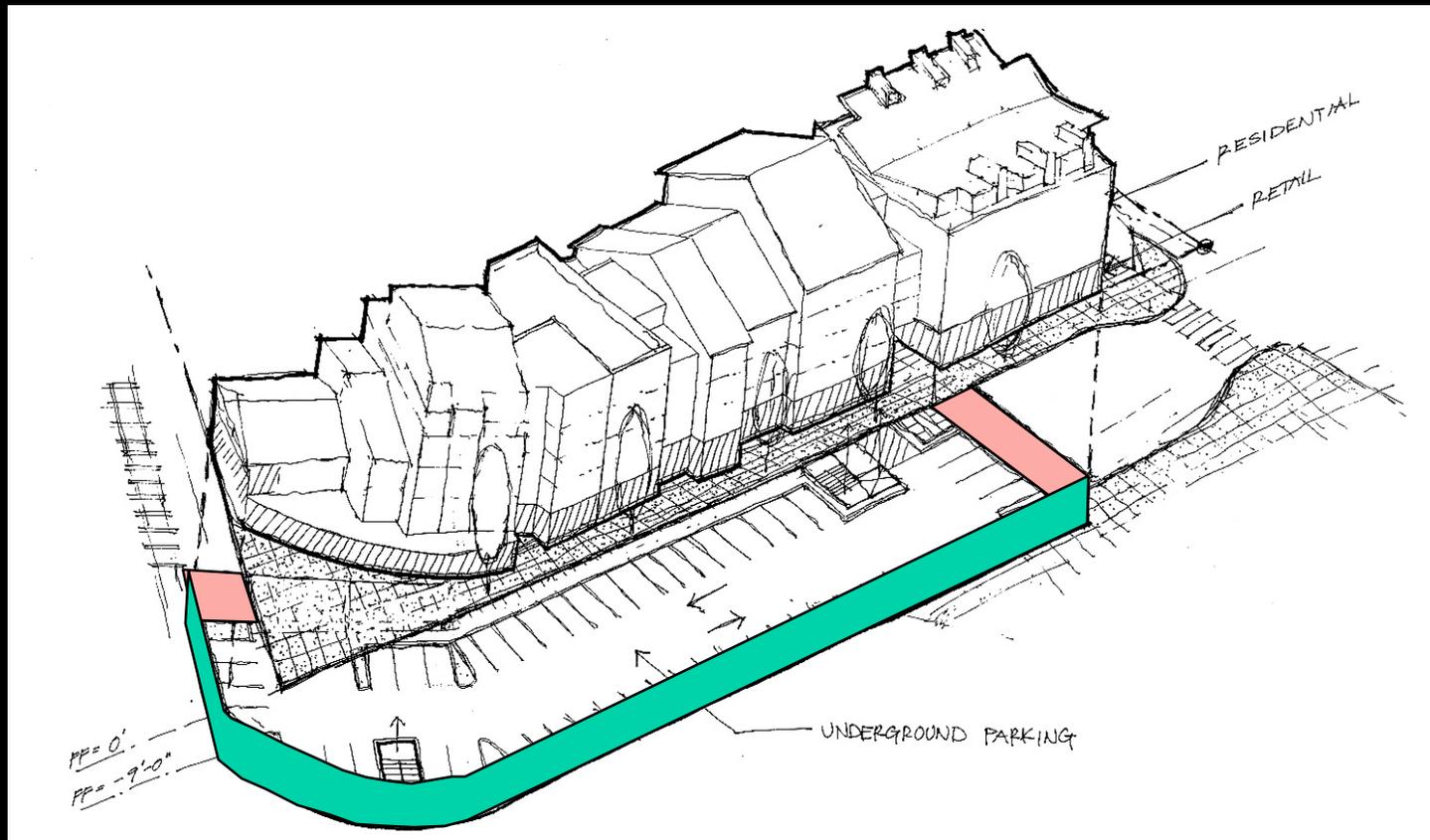
\$8.5M Hard Costs(\$77/s.f.)

\$12.9M Total Costs (\$110/sf)

\$2.9M Total Cost Premiums



Cost Premiums: structured parking



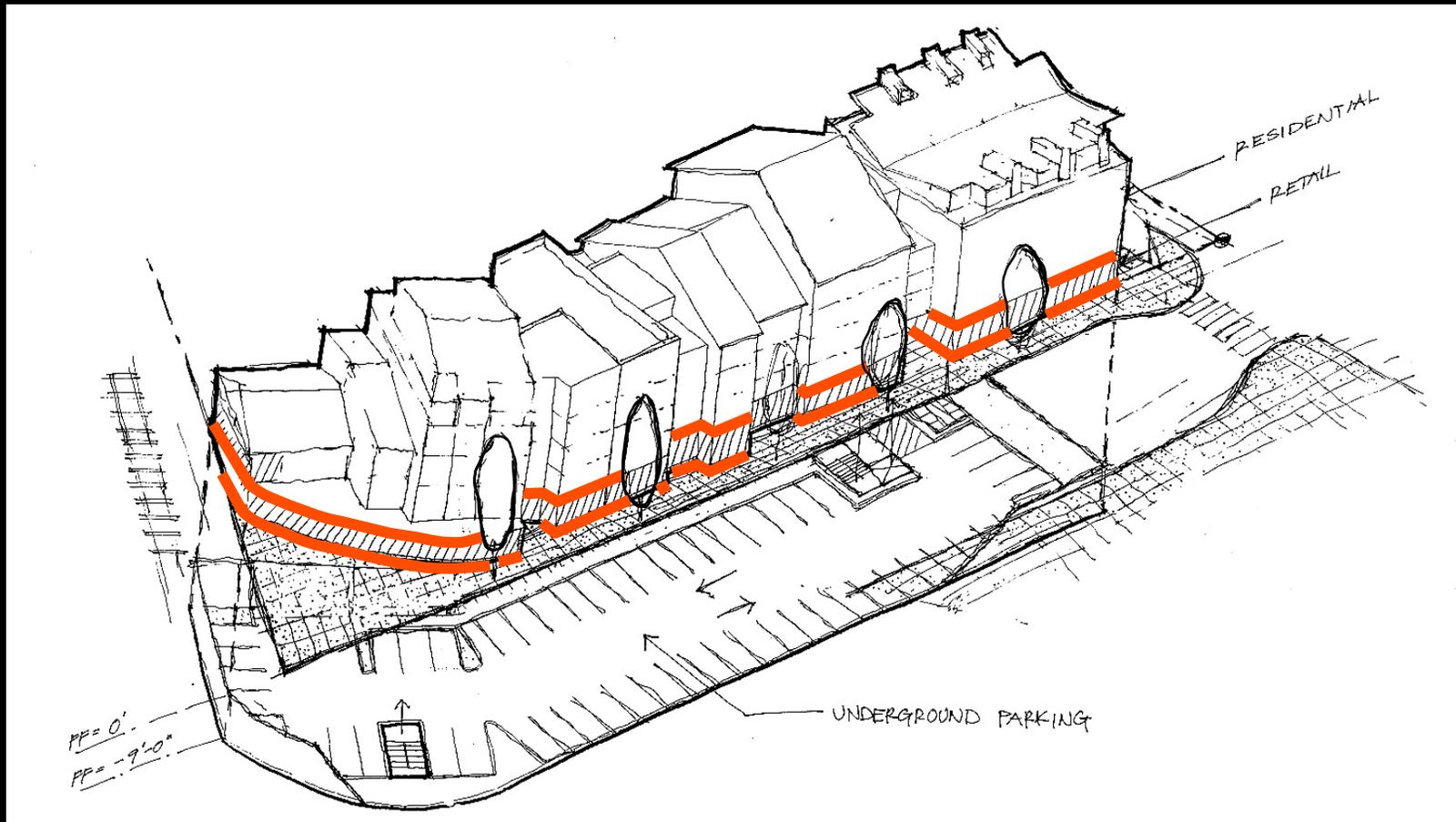
65 below grade

12 elevated slab

Total: 1.29M - \$360,000 (surface parking) = \$930,000



Cost Premiums: firewall separations



The Crossings: Additional Cost Premiums



The Crossings Cost Premiums

Hard Cost Premiums

Structured parking	1.29M (\$16,753/space)	930,000
Less cost of surface parking	(360,000)	
Firewall Separation (garage to retail)	\$ 380,000	
Firewall Separation (retail to housing)	285,000	
Moment frame		100,000
Fire Stairs		100,000
Elevator		60,000
Footings		110,000
Added Plumbing		60,000
Fire sprinkler		60,000
Other		
<u>General Conditions</u>		<u>200,000</u>
Total Hard Costs		\$2.285M

Soft Cost Premiums

Added A&E	\$ 75,000	
Additional Interest Carry		200,000
Site prep		200,000
<u>Added Insurance</u>		<u>150,000</u>
Total Soft Costs		\$625,000

Grand Total Cost Premiums **\$2.910M**



North Main Village: Project Data

1.9 acres

97 housing units

10,000 s.f. retail

100 parking spaces

FAR 1.32



Cost Premiums \$1.36M

Hard Costs \$74-90/s.f. depending on building

Total Development Costs \$14.8M (\$130/s.f.)

Milwaukie North Main Village

Cost Premiums **Firewall Separations**



North Main Village Cost Premiums

Hard Cost Premiums

Firewall Separation		\$ 173,000
Elevator		60,000
Moment frame		168,000
Structured parking (tuck under)		72,000
Footings		30,000
Added Plumbing		50,000
Fire sprinkler		30,000
Fire Stairs	13,000	
Other		75,000
General Conditions		<u>135,000</u>
Total Hard Costs		\$ 806,000

Soft Cost Premiums

Added A&E		\$ 250,000
Site prep		40,000
Additional Interest Carry		110,000
Added Insurance		<u>150,000</u>
Total Soft Costs		\$ 550,000

Grand Total Cost Premiums **\$1,356,000**



Comparison Cost premiums

Crossings \$2.9 vs Milwaukie \$1.3

Parking

- Crossings 65 more structured spaces
- Crossings has 80 more parking spaces
- Crossings had parking for retail (Milwaukie had none)

FAR

- Crossings 1.8 vs Milwaukie 1.3

Building Height

- The Crossings - 5 stories - \$100K for stairs
- Milwaukie 4 stories - \$13,000 for stairs

Firewall separation

- Crossings has 2 post tensioned slabs, Milwaukie has 1

Hard Cost are Similar but **Total Costs** are \$20/s.f. more for Milwaukie because of 4% tax credits and bond fees (soft cost fees)

Transit Oriented Development Program

Using all development tools: Milwaukie North Main Village

Layers of financing

1. Developer equity
2. Investor equity
3. Construction loan
4. Tax exempt bonds
5. Tax credit equity
6. State Community Incentive Fund Loan
7. **Metro Centers Program funding**
8. City land contribution (purchased with CIF loan)
9. State weatherization funding
10. City funding for certain improvements

**\$455,000 Centers Money
on a \$14.8M project**

if one piece goes away the deal falls apart

